

MERTON VOLUNTARY SERVICE COUNCIL

England & Wales · Charity number 1085867

Details

Other names MERTON VOLUNTARY SERVICE COUNCIL LTD.

Status Registered

Legal form Charitable company

Company number [04164949](#)

Registered 2001-03-28

Register [View on the Charity Commission register](#)

Contact

Address Merton Voluntary Service Council
Vestry Hall
London Road
Mitcham
CR4 3ND

Phone 02086851771

Email info@mertonconnected.co.uk

Website www.mvsc.co.uk

Activities

Objects: 1. TO PROMOTE ANY CHARITABLE PURPOSES FOR THE BENEFIT OF THE PUBLIC, PRINCIPALLY BUT NOT EXCLUSIVELY IN THE LOCAL GOVERNMENT AREA OF THE LONDON BOROUGH OF MERTON AND ITS ENVIRONS (HEREINAFTER CALLED THE "AREA OF BENEFIT") AND, IN PARTICULAR THE ADVANCEMENT OF EDUCATION, THE FURTHERANCE OF HEALTH, AND THE RELIEF OF POVERTY, DISTRESS AND SICKNESS 2. TO BUILD THE CAPACITY OF THIRD SECTOR ORGANISATIONS AND PROVIDE THEM WITH THE NECESSARY SUPPORT, INFORMATION AND SERVICES TO ENABLE THEM TO PURSUE OR CONTRIBUTE TO ANY CHARITABLE PURPOSE. 3. TO PROMOTE, ORGANISE AND FACILITATE CO-OPERATION AND PARTNERSHIP WORKING BETWEEN THIRD SECTOR, STATUTORY AND OTHER RELEVANT BODIES IN THE ACHIEVEMENT OF THE ABOVE PURPOSES WITHIN THE AREA OF BENEFIT.

Activities: Practical support to voluntary and community organisations, liaison and advocacy, community engagement, development, standard setting, strategic partnership working and fund management.

Classification

- **How:** Makes Grants To Organisations, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- **Area of benefit:** LONDON BOROUGH OF MERTON AND ITS ENVIRONS
- Merton

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,563,760	£1,674,113	£1,280,299	27
2024-03-31	£11,496	£1,363,543	£1,403,021	22
2023-03-31	£1,456,705	£1,478,071	£1,029,580	22
2022-03-31	£1,418,518	£1,500,928	£1,050,969	18
2021-03-31	£1,483,083	£1,309,745	£1,101,637	18

Trustees

Name	Role	Appointed
Asha Newsum		2021-12-17
Emma Wiley		2024-02-19
Jennifer Mary Goddard		2022-03-25
Judith Brodie		2024-02-19
Karen Louise Peck		2025-12-11
Natalie Diana Busari		2025-12-11
Nigel Lawson		2024-02-19
Omar Talal Daair		2025-12-11
Preeya Parmar		2025-12-11

Accounts

REGISTERED COMPANY NUMBER: 04164949
REGISTERED CHARITY NUMBER: 1085867

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2025**

FOR

MERTON VOLUNTARY SERVICE COUNCIL

Trading name: MERTON CONNECTED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

	Page
Legal and administrative information	3
Report of the Trustees	4 to 16
Independent Auditor's Report to the Members	17 to 19
Statement of Financial Activities	20
Balance Sheet	21
Statement of Cash Flows	22
Notes to the Financial Statements	23 to 37
Detailed Income and Expenditure Account (This page does not form part of the statutory accounts)	38

MERTON VOLUNTARY SERVICE COUNCIL

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2025

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04164949 (England and Wales)

Registered Charity number

1085867

Trading Name

Merton Connected

Registered office

The Vestry Hall
London Road
Mitcham
Surrey
CR4 3UD

Auditor

Kingston Burrowes Audit Ltd
308 Ewell Road
Surbiton
Surrey
KT6 7AL

Bankers

Unity Trust Bank
Nine Brindley Place
4 Oozells Square
Birmingham
B1 2HB

Investments

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

Solicitors

Russell-Cooke LLP
2 Putney Hill
Putney
London
SW15 6AB

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

The Trustees (who are also directors of the charitable company for the purposes of the Companies Act 2006) are pleased to present their annual Trustees' Report for Merton Voluntary Service Council (MVSC), together with the audited financial statements for the year ending 31 March 2025, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and UK Generally Accepted Accounting Practice.

MERTON VOLUNTARY SERVICE COUNCIL's (MVSC) MISSION

MVSC's mission is to inspire and develop an excellent voluntary and community sector in the London Borough of Merton (LBM).

MVSC's Charitable Objects are:

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

PRINCIPAL ACTIVITY

The charitable company's principal activity for the year, which is ultimately the objects set out in the Articles of Association, for MVSC was to provide practical support to voluntary and community organisations, liaison and advocacy, community engagement, development, standard setting, strategic partnership working and fund management. The social prescribing service promotes health (in line with Article 1) and partnership working between the NHS and third sector (in line with Article 3).

PUBLIC BENEFIT

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

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

MVSC is a registered charity and company limited by guarantee. MVSC has pursued effective governance throughout the year, following provisions and procedures in its Memorandum and Articles of Association. MVSC trades under the name Merton Connected. Membership of MVSC is as set out in the Articles of Association.

MVSC is reviewing its Articles in 2025/26 to ensure they are aligned with the way of operating and are relevant for the future.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

Trustees

The Trustee Board is made up of not less than five and no more than fifteen persons. Trustees are appointed in accordance with the Charity's governing document. The Board periodically reviews the mix of skills and experience required and recruits new trustees as needed using appropriate methods, including advertising, professional networks and recommendations. New Trustees are provided with an induction programme led by the Chief Executive Officer (CEO) and are provided with a copy of the Memorandum and Articles of Association and the latest Trustees' Annual Report and Financial Statements. The induction programme includes a briefing on their obligations under company and charity law, the decision-making processes within MVSC, the Business and Strategic Plans, and information relating to operational and financial management. Trustees are encouraged to participate in appropriate external training events which can facilitate the undertaking of their role.

The Board of Trustees governs the Charity. The Board meets four to five times a year, with a Finance Committee, meeting and occasional task and finish groups to look at specific issues and report back. All task and finish groups have clear terms of reference, which are agreed by the Board before they are established.

All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in Notes 12 and 14 to the accounts.

Trustee	Changes in year
Emma Wiley	Resigned 12 February 2026
Jennifer Goddard	
Wendy Jane Pridmore	Resigned 11 December 2025
Asha Newsum	
Judith Brodie - Chair	
Nigel Lawson - Treasurer	Resigned 3 February 2026
Karen Peck	Appointed 22 September 2025
Natalie Busari	Appointed 22 September 2025
Omar Daair	Appointed 22 September 2025
Preeya Parmar	Appointed 22 September 2025

Management of MVSC

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

Senior Management Team

Tony Molloy	Chief Executive Officer
Adwoa Fadahunsi	Head of Development and Volunteering
Dave Curtis	Head of Healthwatch Merton
Kelly Walker	Head of Social Prescribing appointed Nov 2024
Amy Gee	Head of Operations
Marie Douglas	Finance Business Partner

Pay policy for the Senior Management Team

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

Related parties and co-operation with other organisations

None of our Trustees receive remuneration or other benefit from their work with the Charity. Any connection between a Trustee or a senior manager of the Charity with a supplier, funder, or charitable organisation in the London Borough of Merton (LBM) is disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party. Further details of any related party transactions can be found in Notes 12 and 14 of the accounts.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

Use of volunteers

One of the aims of the Charity is to match expressions of interest in volunteering to volunteer opportunities offered, with a focus on providing additional capacity to local voluntary and community organisations. MVSC continues to provide Home Visit Libraries volunteers under contract to the London Borough of Merton (LBM) and is grateful for the support of the many volunteers who support local organisations and MVSC itself.

1. OBJECTIVES AND ACTIVITIES

The continued cost-of-living crisis, alongside sustained pressures on the NHS and statutory services, has resulted in significantly increased demand for voluntary and community sector support across the London Borough of Merton. In response, MVSC has continued to play a pivotal role in inspiring, supporting and strengthening the voluntary, community and faith sector, ensuring residents across the borough can access timely, locally delivered support. Throughout the year, MVSC remained focused in consolidating and adapting its strategic objectives to respond to emerging needs, while maintaining continuity and quality of delivery. Our key objectives, and associated activity, included the following:

1.1 Capacity building and sector development

MVSC continued to support existing voluntary and community organisations, while also enabling the creation and development of new groups. This work strengthened organisational resilience, governance and delivery capacity across the voluntary, community and faith sectors, ensuring local organisations are well positioned to meet the needs of the residents they serve.

1.2 Partnership development and innovation

We developed and delivered effective partnership models, including *Motivate Merton*, a collaboration of eleven organisations providing mentoring support to local children and young people. This initiative, funded through the GLA and Propel investment, demonstrates the value of coordinated, cross-sector working in achieving improved outcomes for young people.

1.3 Health and integrated care collaboration

MVSC continued to work closely within the Integrated Care System (ICS) at both borough and South West London (SWL) levels. This included the delivery of pilot and longer-term health and wellbeing initiatives such as the Community Health and Wellbeing Project, the Ethnic Minorities Health Improvement Project (EMHIP), and the Core Connectors programme, all of which support preventative approaches and address health inequalities.

1.4 Social Prescribing delivery

We maintained the successful delivery of Social Prescribing services in line with contractual requirements, supporting all GP practices across the six Primary Care Networks (PCNs) in the borough. This ensured residents can access non-clinical, community-based support to improve wellbeing and reduce pressure on primary care services.

1.5 Healthwatch Merton

MVSC ensured Healthwatch Merton continued to operate as an effective and independent consumer health champion. Through engagement and intelligence gathering, Healthwatch Merton identified good practice, emerging challenges and opportunities for improvement across local health and care services, ensuring the voices of residents informed service development.

1.6 Funding, investment and grant administration

Working in partnership with the Merton Chamber of Commerce, statutory partners and donors (including the London Borough of Merton, South West London Integrated Care Board (ICB), Wimbledon Foundation and City Bridge Foundation), MVSC continued to administer and distribute funding through *Merton Giving*. This enabled targeted investment into local voluntary sector services at a time of heightened financial pressure across the sector.

1.7 Wellbeing Hub at Wilson Hospital

Following its successful launch in April 2023, MVSC continued to support the development and delivery of the Wellbeing Hub at the former Wilson Hospital. This work was undertaken in partnership with the Steering Group, NHS partners and the London Borough of Merton's Public Health team, providing an accessible, community-based resource to support local residents' health and wellbeing.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

Together, these activities reflect MVSC's continued commitment to collaborative working, preventative approaches, and strengthening the voluntary and community sector to meet the evolving needs of Merton's residents.

2. ACHIEVEMENTS AND PERFORMANCE

This section provides highlights from the annual review of MVSC's work and forms part of the annual financial statement.

2.1 Key highlights for the year

2.1.1 Trustee Board

The board have undertaken to develop a new 5-year strategy for MVSC, this project is underway with completion during 2025/26.

2.1.2 Social Prescribing

The service was extended to deliver a pilot programme providing a Social Prescribing service to high intensity users (HIU) which ceased on 31 March 2025. A new pilot service has been commissioned for 2025/26 to deliver a social prescribing and health coaching service within St George's Hospital to patients diagnosed with Sick Cell and/or Thalassaemia.

2.1.3 Merton Giving Fund

There has been one successful round of grant giving since April 2024 to support Merton residents with the cost-of-living pressures. An additional payment of £55,000 has been made to the Wilson Wellbeing Centre to fund a service gap. During the year, the Merton Giving service was reviewed and MVSC will now deliver the service with a close working relationship with Merton Chamber of Commerce who will provide insight, knowledge and links into the business sector within the borough.

2.1.4 Motivate Merton fund by the GLA Propel Fund

MVSC was awarded a grant to deliver a partnership mentoring program to young people over a two-year period by bringing a partnership of voluntary groups together to jointly deliver the mentoring through a mix of voluntary and paid mentors. This funding by GLA ceased on 31 March 2025 but has been replaced for one further year through Lottery Funding starting from the start of the 2025/26 financial year. This is expected to be the final year of Motivate Merton funding, however the Motivate Merton partnership and its partners will endure.

2.1.5 Community Health and Wellbeing Project

MVSC are delivering the Community Health and Wellbeing Project funded by the ICB in the Pollards Hill and Cricket Green areas. This service provides one to one contact across 150 – 200 homes in each area.

2.1.6 Providing Support to Voluntary, Community, Faith, and Social Enterprise (VCFSE) organisations

MVSC continues to play a central role in supporting and strengthening the VCFSE sector across the London Borough of Merton. Our work focuses on building organisational resilience, improving governance and compliance, supporting workforce and volunteer development, and enabling collaboration to maximise impact for local residents.

2.2 Key areas of activity during the year

2.2.1 Information sharing, training and capacity building

MVSC remained committed to keeping the VCFSE sector informed of essential sector news, funding opportunities and volunteering developments. We facilitated and hosted a comprehensive programme of continuing professional development (CPD) and capacity-building workshops, responding directly to identified sector need.

Topics included:

- Introduction to Artificial Intelligence: uses and applications for organisations
 - Financial compliance for charities, Community Interest Companies and social enterprises
 - Income generation and budgeting for funding applications
 - Contextual safeguarding for children and young people
-

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

- Accredited First Aid
- Introduction to safeguarding for adults
- Volunteers and the law
- Monitoring and evaluating services, projects and programmes

2.2.2 Strengthening skills, confidence and compliance across the sector

Over 85 individuals from local organisations participated in workshops across the year.

2.2.3 Communications and digital engagement

MVSC remained committed to keeping the sector informed about key news, funding opportunities, and volunteering updates through our communications channels. Our social media reach continued to grow, with Facebook followers increasing from 886 to 952, Instagram followers rising from 347 to 613, and LinkedIn followers growing from 368 to 444. Across all platforms, average post impressions increased by 50.2 percent. The MVSC newsletter subscriber base grew to 898, and engagement improved significantly, with the average open rate rising from 26.2 percent to 42.6 percent. These developments, shaped by stakeholder feedback, ensure our communications are relevant, timely and accessible to local VCFSE organisations and the residents they serve.

2.2.4 One-to-one organisational support

MVSC continued to deliver tailored one-to-one support to local voluntary, community, faith and social enterprise organisations. Support covered a wide range of areas, including:

- Organisational governance and legal compliance
- Development and review of policies and procedures
- Safeguarding
- Income generation and funding applications
- Service and project development
- Monitoring and evaluation
- Trustee and volunteer recruitment

During the year, 53 organisations benefited from over 820 hours of individualised support, enabling organisations to strengthen delivery, governance and sustainability.

2.2.5 Funding support and investment into the borough

MVSC supported organisations to secure funding from a range of external sources, bringing additional income and services into Merton. Through the Propel scheme, supported by a collaboration of London funders, MVSC was awarded a one-year extension grant of £330,059 for 2025/26. This funding will be shared with ten local partner organisations delivering the *Motivate Merton* programme, enabling a further 160 local young people to receive one-to-one mentoring support and tailored enrichment activities.

2.2.6 Sector Investment

Further inward investment, more than £500,000 was achieved through the support and assistance in drafting applications on behalf of local VCFSE organisations to the National Lottery Community Fund, Awards For All, BBC Children in Need, Lloyds Foundation, Kitchen Social (Mayor's Fund for London) and Arts Council (to name but a few)

2.2.7 Holiday Activities and Food (HAF)

MVSC also supported organisations with applications to the Borough's HAF programme, the Borough of Sports funding stream, and the Wimbledon Foundation Community Fund.

2.2.8 Volunteering infrastructure and leadership

MVSC continued to provide volunteering infrastructure and leadership across the Borough. Over 500 residents registered an interest in volunteering via our specialist volunteering platform, powered by Simply Connect. Existing and prospective volunteers were kept informed through regular bulletins, social media activity and outreach events, including monthly outreach at Mitcham Jobcentre, targeted to specific volunteering roles.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

2.2.9 Management Support

MVSC facilitated bi-monthly Volunteer Managers Forums, enabling those responsible for volunteer coordination to remain informed of legislative changes and best practice, while benefiting from peer support and problem-solving through action learning approaches.

2.2.10 Sector forums and representation

MVSC continued to facilitate the overarching Voluntary Sector Forum (*Involve*), alongside a range of thematic sub-forums including Mental Health, Youth Partnership, CEO/Senior Leadership Network, Family Support Services and the Small Organisations Forum. These forums provided timely briefings, legal updates and opportunities for discussion on emerging issues and sector challenges. They enabled peer support, strengthened advocacy, amplified the collective voice of the sector and supported innovation and collaboration, ensuring the VCFSE sector remains well-placed to meet the evolving needs of Merton's residents.

2.2.11 Community Health and Wellbeing Service

Through an innovative initiative funded by the Integrated Care Board (ICB), MVSC employs two Community Health and Wellbeing Officers based in Phipps Bridge and Pollards Hill. The service delivers one-to-one support, group-based activities, and community outreach, improving residents' knowledge, confidence, and access to health services. To date, the programme has engaged over 135 residents, with measurable outcomes including increased attendance at health appointments, uptake of preventative services, and greater participation in community wellbeing initiatives. Through these initiatives, MVSC demonstrates tangible outcomes aligned with local and sub-regional priorities, including:

- Strengthened capacity and governance of voluntary and community organisations, enabling sustainable local service provision;
- Increased community awareness and engagement in health and wellbeing initiatives, particularly among underserved populations;
- Improved access to services and support for residents experiencing barriers to participation;
- Enhanced resident resilience, confidence, and social inclusion through tailored community support and engagement programmes.

2.2.12 Celebrating the Achievements of Merton's VCFSE Sector

MVSC proudly delivered and hosted the Merton Partnership Civic Pride Awards during Volunteer's week to an audience of over 300 people celebrating and amplifying the incredible volunteering contribution residents made to the London Borough of Merton.

2.3 Creating Models of Innovative Partnership

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

2.3.1 Health Partnerships

Integrated Care Board (ICB): Working with London Borough of Merton (LBM) and health colleagues from the ICB to support several initiatives to engage even more successfully with communities and individuals to improve understanding and engagement with proactive health initiatives. These include The Core 20 Connectors and Ethnicity and Mental Health Improvement Project (EMHIP) initiatives which continued through 2024/25 and were concluded 31 March 2025 in line with most similar projects in the SW ICB area.

2.3.2 Strong VCFSE Partnership Working

Motivate Merton (as set out above)

2.3.3 Sector Representation and Influence

Continuing influencing and contributing to policy at regional, sub-regional and borough level, across the wider health and social care agenda, representing the views and amplifying the voice of the sector, by senior team member presence on key local and regional boards, such as: Care Together Board, Safer Merton Partnership, Children Trust and Merton Safeguarding Children Partnership, Health and Wellbeing Board, Safer Neighbourhood Board, Merton Safeguarding Adult Board and Violence Against Women And Girls (VAWAG) Board.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

The CEO is a member of the SWL VCSE Alliance Leadership Group which has grown from the VSCE transition team for the ICS. The group works sub-regionally with the five other CVS organisations across the London Boroughs of Croydon, Sutton, Kingston, Wandsworth, and Richmond in South West London (SWL). The group highlights health inequalities and promotes the idea of co-production (between the voluntary and statutory sectors) as an effective mechanism for addressing these societal issues, sub-regionally, as well as at borough and neighbourhood level as well as the emerging Merton health provider alliance.

2.4 Contracted Home Visits Library Service

MVSC continues to run a home visits library service throughout LBM where volunteers select and deliver library books to those who are unable to visit the library.

2.5 Continued successful delivery of social prescribing services

Social prescribing is a way of linking patients with sources of support within the community. It provides General Practitioners (GPs) with non-medical referral options that can operate alongside existing medical treatments and interventions to improve overall health and well-being, whilst reducing GP appointments so their focus can remain on medical need.

MVSC's Social Prescribing teams look to support individuals to enable them to have more choice and control in how their health and well-being is managed and maintained whilst importantly increasing the capacity of the GPs to meet increased demand on their services.

During the last ten years the social prescribing model has gained increasing prominence as has MVSC's social prescribing service which has also grown and developed. Highlights include:

2.5.1 ONS Wellbeing Tool

The Social Prescribing team has been using the wellbeing tool of the Office for National Statistics (ONS) since January 2020. The ONS Wellbeing outcomes for Social Prescribing patients are as follows.

2.5.2 ONS Wellbeing outcomes, Apr 2024 – Mar 2025

- 84% of patients have experienced positive changes
- 78.6% of patients expressed satisfaction with the service
- 69.1% of patients expressed the service was worthwhile
- 76.1% of patients have expressed an improvement in happiness
- 74.4% of patients expressed reduced anxiety

2.5.3 Appointments Delivered

The main Key Performance Indicator (KPI) for our contract delivery is KPI 1.4 "Working with Primary Care to achieve 80% service utilisation rate". During the financial year the service achieved a utilisation rate of 110% exceeding the utilisation rate for the previous year. The annual average utilisation rate for financial year 2023/24 was 89%.

2.5.4 Number of New Referrals Received

The Social Prescribing team received 3,622 new referrals between April 2024 and March 2025 an increase of 50 people on the 2023/24 financial year. During 2022/23 financial year the team received 2,615 new referrals. Demand for the service is increasing, and the main reasons for referrals during the last financial year have been for Mental Health (20.4%), Social Isolation (12.2%), Housing and Financial Advice (28%) and Support for Carers (9.9%).

In total the social prescribing team delivered 8,994 appointments. In addition, the social prescribing team do outreach work to promote the service at Merton events.

2.5.6 Data Collection

The Merton Social Prescribing team uses Elemental software to collect and store data safely. Elemental has been interfaced with EMIS; the software used within Primary Care in LBM. Our team has been clinically evaluated by Oxford University in 2022 and we are one of the most digitally mature Social Prescribing services in the UK. Our data is shared monthly with the ICB and Primary Care Network and quarterly with the ICS.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

2.6 Healthwatch Merton service delivery

Healthwatch Merton (HWM) has continued to deliver on its mission to ensure local people have a voice in shaping local health and care services. 2024/25 was another challenging year. The service continues to deliver both community outreach, specialised projects and directly influencing change across local, regional, and national health and care strategies.

2.6.1 HWM Community Outreach and Engagement

From April 2024 to March 2025, HWM engaged with over 500 residents across various outreach events and activities. These efforts helped gather essential feedback on local health and social care services, ensuring that the voices of those most affected by service provision were heard and considered in future planning.

Notable outreach activities included:

- Community Outreach Women Arise Ministries (WAM): Engaged with 30 parents at WAM's "Come dine with me" events on including the cost of living and how this impacts on health issues within the family.
- Veteran Outreach Games and Social Event: Engaged with 25 people to promote the veteran project and gathered useful information on activities and services for veterans outside of Merton.
- Veteran Outreach D Day Celebrations: 30 veterans attended, HWM stood alongside the Royal British Legion stall welcoming local veterans, their families, friends, neighbours and local shoppers giving info on what happened in Normandy France – on the 80th anniversary of D-Day.
- Community Outreach Merton's Windrush Day: 85 people attended and HWM joined MVSC in the grounds of Canons House for this annual event, promoting health services and volunteering.
- Community Outreach Be Well, Core Connectors: HWM engaged with over 40 people who attended Health and Wellbeing event arranged by MVSC's 2 Core Connector employees sharing information and gathering feedback on health and social care services.
- Young People's Freshers Fair: Interactive event with over 80 young people in attendance, who were set tasks by their tutors to engage with stall holders to increase their understanding and knowledge of what additional support is available to them from the local voluntary sector.

2.6.2 HWM Influencing Change and Advocacy

Healthwatch Merton has used feedback to advocate for improvement in local health and key areas of influence

2.6.3 The Merton 0-5 Autism diagnostic pathway

In partnership with Merton ICB, HWM created a first of its kind visual flowchart to help parents understand the complex autism diagnostic process for children under the age of 5. HWM reviewed information provided by statutory bodies and interviewed decision makers to map out the pathway, developing a visual triage mapping of the pathway using online design software.

2.6.4 The community nursing services in Merton

HWM gathered feedback on the community nursing services offered in Merton on behalf of SWL ICB to increase their knowledge base and understanding. We created a questionnaire in partnership with Merton Central London Community Healthcare NHS Trust (Merton CLCH), printed 200 booklets and distributed them to persons accessing community nursing services in Merton. HWM received 26 responses (25 paper and 1 online). Preliminary findings indicated an overall positive outlook and general satisfaction at community nursing services.

2.6.5 Evaluation of Mental Health services provided for the Merton Community

HWM commissioned by the Southwest London ICB and St. George's Mental Health Trust conducted a baseline survey to feed into and evaluate the state of mental health services provided for the Merton Community. The survey engaged 57 individuals who had previously accessed mental health services in Merton.

2.6.6 Polish and Eastern European community project

HWM undertook a project with the Polish and Eastern European (EE) community who live in Merton. This

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

includes people from Belarus, Bulgaria, Czech Republic, Hungary, Moldova, Romania, Russia, Slovakia, and Ukraine who live and who have made their home in the borough. HWM along with the Polish Family Association (PFA) aimed to investigate the disparities in healthcare for the Polish and EE community within the borough. The assessment engaged 176 individuals attending PFA services through surveys, alongside five focus groups and two in-depth interviews with healthcare professionals. The findings have fed into the Health and Wellbeing Board whereby they are being utilised to inform areas within the current development of several LBM and ICB health strategies.

2.6.7 Veteran Voice and Veteran Aware Accreditation for GP Practices

HWM continued to advocate for better recognition and support for the needs of veterans in the borough. HWM facilitated 16 specific Armed Forces Veteran Outreach sessions to support their voice to inform and improve services locally. We have a healthy database of over 100 Armed Forces Veterans whom most have signed up for HWM monthly E-bulletin where they have their own special "What's on for Veterans" activity and events page. There has been a positive increase in accredited Veteran Friendly GP practices from 8 to 11 during the year. HWM continues to work with veterans and see further increase of GP practices in the borough attain this accreditation by the end of 2025/2026.

2.6.8 HWM Communication and Public Engagement

Throughout the year, HWM distributed 12 e-bulletins to keep the public informed about health and care services in the borough. These bulletins shared important updates, local opportunities, and invited residents to engage with ongoing consultations.

3. PLANS FOR 2025/2026

MVSC continues to have a key role in the London Borough of Merton, supporting communities through its key role strengthening and developing the Voluntary, Community and Faith sectors in the borough. During 2024/5 work started on a new long-term strategy to take us forward from 2025/26, there will be work to ensure our Articles of Association are updated to support MVSC to deliver the new 2025 to 2030 strategy.

While the past year was challenging, MVSC continued help setup and support new organisations and provide a range of assistance to existing organisations, including helping them to produce successful applications to regional and national funding bodies. MVSC's ambition remains to commission local services, which will also deliver embedded partnerships working in collaboration amongst and across our local VCSE sector.

3.1 Plans for Core Services 2025/2026

3.1.1 Step-Up Quality Assurance Programme

With continuing funding from The Wimbledon Foundation, the *Step-Up Quality Assurance Programme* that MVSC developed (a locally tailored framework designed to strengthen small and micro voluntary sector organisations, improving governance, service delivery and organisational resilience) has continued to be rolled out.

The programme provides intensive support to six local organisations, equipping them with knowledge, skills and tools to enhance operational capacity, compliance, safeguarding, and quality assurance. Support is delivered via one-to-one guidance, structured training workshops, and action learning sets. Participating organisations are enabled to evidence achievement against agreed quality standards, improving organisational sustainability and service outcomes for residents.

3.1.2 Community development model

The Core Services Team continues to apply an asset-based model of community development, identifying and building upon existing community strengths and resources. This approach supports improved health, wellbeing, resilience, and social cohesion, empowering local residents to access services, engage in community activities, and participate actively in local decision-making.

3.1.3 Outcome measurement

By embedding outcomes measurement across its core services, MVSC ensures that every intervention is evidence based and responsive to the evolving needs of Merton residents, delivering impactful, sustainable, and socially valuable outcomes for the borough.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

3.2 Plans for Healthwatch Merton 2025/2026

The service will face uncertainty in the coming year given government proposals to abolish Healthwatch and all 150 local Healthwatch services (announced June 2025). The service is expected to remain funded until the end of the financial year 2026/27. HWM has several areas of focus identified for 25/26 (below) which respond to National, Regional and local requirements.

- Complete the work to identify and raise the profile for eastern European residents within Merton and understand and promote how services listen to their needs.
- Merton College Project: Support and train up college students to be able to do local peer research and feed their findings directly into local services for young people to influence change, improvement and increase local knowledge.
- Continue to focus on strengthening the voice within service design and improvement locally for Armed Forces Veterans.
- Work in partnership with LBM, Public Health and the ICB to develop clear routes for service user voice to not be disadvantaged by government proposed changes.
- In partnership with our five Southwest London Healthwatch services, liaise to work with government on the significant changes and proposals with patient voice and the NHS both locally and nationally.

3.3 Plans for Social Prescribing 2025/2026

- MVSC remains committed to the development, enhancement and improvement of the Social Prescribing service with ongoing support from the borough's 21 GP practices. In late 2024 MVSC successfully recruited a new Head of Service internally thus retaining the knowledge and experience built since the service's inception.
- A new pilot for a Social Prescriber role with regard to Sickle Cell and/or Thalassemia has been agreed for a secondary care setting. Our Social Prescribing team will also continue to promote the success of the Merton model to other boroughs in the sub-region, region and nationally, and remain a key contributor to the continuing growth and knowledge of social prescribing services nationally. MVSC anticipate that in line with the NHS Ten Year Plan, the ICB will develop more locally commissioned health-based services which will look to increase prevention, with a greater focus on local community delivery. The service will also continue to raise awareness through outreach work within the borough.
- MVSC expect the ICB to increase the number of local third sector organisations supporting the direct delivery of front-line health and care services, with the shift to local community organisations delivering health outcomes. This service remains an area of business MVSC remains committed to.

3.4 Plans for Merton Giving 2025/2026

MVSC's role has increased to operate all aspects of Merton Giving strategy, funding raising and grant management. The service will recruit a Strategic Lead and a fundraiser, alongside the existing Grant Manager. MVSC will continue to work in partnership with Merton Chamber of Commerce to develop links with local business and services, and with stakeholders on the Merton Giving Steering Group to ensure the programme of work has a strategic and needs-based approach.

3.5 Plans for Central Staff Services 2025/2026

MVSC has invested internally to strengthen and future proof the organisation. This successful work has included expanding the staff team and investing in their individual and collective training and development and wellbeing, this work will continue and develop to strengthen the organisation further. The service will be better placed to use the data from the established annual staff survey to create tailored workplace action plans and respond to the needs of the MVSC team. New systems have improved and will continue to strengthen the recruitment and induction process.

As we continue to develop knowledge, we continue to enhance our digital skills, improve digital inclusion and look to the future with regards to digital assets. The team continues to make better use of SharePoint and Teams, particularly for organising large events and collating surveys and feedback. The entire team meet regularly and receive corporate information to improve team working across the organisation. The team will be

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

responsible for recruitment of new trustees and assisting with the development and communication of the new strategy.

4 FINANCIAL REVIEW

Financial Statements

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

Statement of Financial Activities

The Statement of Financial Activities is shown on page 20 with a more detailed analysis of income and expenditure within the notes to the financial statements. Total incoming resources for the year decreased to £1,559,881 (2024: £1,737,292). Income from charitable activities for this year was £1,505,704 (2024: £1,681,686) this is split between £648,857 (2024: £592,426) unrestricted funding, £856,847 (2024: £1,089,260) restricted funding and a range of grant funds which MVSC manages on behalf of the public sector, including holding and distributing funds.

The total of these grants for distribution to third parties is recognised as restricted income, however it is worthwhile noting that these funds are not used in direct charitable expenditure rather given to organisations as grants. During this year the total of this income was £145,688 (2023/24: £154,851). Full details are shown in Note 5.

Donations this year have increased compared to last year £4,939 (2024: £2,822). The total expenditure for the year was £1,674,113 (2024: £1,363,543) increase from the previous year. The net effect of the above has led to an overall operating deficit of (£122,722) compared to last year surplus of £373,441.

Balance Sheet

Overall reserves are £1,280,299 (2024: £1,403,021) with unrestricted reserves being £303,089 (2024: £363,488) after providing for the defined benefit pension liability of £8,417 (2024: £3,734).

Unrestricted reserves: £303,089 (2024: £363,488)

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

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

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

Restricted Reserves: £977,210 (2024: £1,039,533)

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

Reserves Policy

The Board of Trustees reviews the reserves policy annually and seeks to maintain a minimum balance of

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

unrestricted reserves equivalent to six months of budgeted core net operating costs (including the uncovered pension deficit under FRS102). This equals £194,000 for this financial year.

Currently unrestricted reserves at the year-end are £303,089, less £8,417 set aside for the future pension liability repayments and £12,894 representing fixed assets, and £26,000 represents designated funds, giving a net unrestricted free reserves figure of £255,778 a surplus of £61,778 over the minimum target unrestricted reserves figure of £194,000. This substantial balance of unrestricted reserves will enable MVSC to manage future financial and operational risk in its growing programme of support and guidance to the third sector community within the LBM.

Unrestricted funds also need to be set aside for future major investment (e.g., systems and equipment and other infrastructure assets). There are no plans for making such investments at the date of this Trustees' Report. A designated fund of £26,000 has been received as management fees for the administration of Merton Giving.

To ensure the minimum impact on Reserves MVSC adopts the following principles in relation to ongoing project funding:

- Firstly, all annual Budgets only include estimates for grant income, whether for unrestricted or restricted purposes, if they are supported at minimum by a draft agreement with the funder.
- When specific project funding ends the associated staffing expenditure and direct overheads incurred in running the project will also cease. There will be no call on unrestricted reserves.
- In exceptional circumstances where Trustees expressly wish that activity is to continue and have a reasonable expectation that new funds will be received, unrestricted reserves may be used to sustain posts for a limited period.
- An allowance for redundancy costs for all project staff are included in project funding budgets to avoid the need to fund redundancy costs from general reserves.

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

The Board of Trustees will continue to monitor the effectiveness of its Reserves Policy so that it remains relevant to its current and future position. However, because the Charity operates in a constantly changing environment the Trustees throughout the year regularly review the Charity's balances of reserves, together with cash flow levels to ensure prudent management of its funds.

Details of the various reserves and their movements are set out in more detail in Note 23, 24 and 25 on pages 33 to 36.

Cash Management

The Board of Trustees seeks to retain a prudent sum of cash in the Bank Current Account sufficient to cover two months gross income on unrestricted activities and one month's income on restricted activities. For 2024/25 this required an average balance £188,300. The excess over this sum was placed in a short-term investment account, which offered more security than a current account and a better rate of interest. Current account cash is managed to ensure availability to meet the short-term net budgeted expenditure needs and grant giving requirements.

Currently these excess funds are placed with Charity Offices Investment Fund (COIF) under their Charities Deposit Fund scheme. COIF is registered with the Financial Conduct Authority under the Financial Services and Markets Act 2000 (FSMA) and is an ethical investor. Aside from retaining a prudent amount in reserves each year, MVSC has received a significant amount of investment income which has been added to our unrestricted funds.

The risk to the business rests with uncertainty of long-term core funding. The local authority are looking at how they deliver long term funding with a review starting 26/27. Changes and pressure within the health service persist, however long term planning with regards to delivering better health outcomes are likely to deliver future funding opportunities to MVSC and voluntary sector.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

Grant making

The Charity makes grants to a wide range of organisations who are either based in the LBM and neighbouring or adjoining areas or have strong relationships in these areas with a proven track record of benefitting residents. We are particularly keen to help grassroots community groups and small-to-medium-sized voluntary organisations. We would always consider a proposal that has the potential to achieve substantial impact in our community and furthers our charitable objectives. All grant programmes are administered primarily through Merton Giving.

Trustee Responsibilities

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

Company law requires the Charity's Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied, they give a true and fair view of the state of affairs of the charitable company, and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 (FRS102);
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to Disclosure of Information to Auditor

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

Auditor

Kingston Burrowes Audit Ltd was re-appointed as the charitable company's auditor during the year and have expressed their willingness to continue in that capacity.

Small Companies

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

Approved on behalf of the Board of Trustees on 19th February 2026



Judith Brodie, Chair

 (Feb 23, 2026 15:23:10 GMT)

Jen Goddard, Trustee

Opinion

We have audited the financial statements of Merton Voluntary Service Council (the 'charitable company') for the year ended 31 March 2025, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

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

Conclusions relating to going concern

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.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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. 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 course of 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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' 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 included within the trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Enquiry of management and those charged with governance about actual and potential litigation or claims and the identification of non-compliance with laws and regulations.
 - Reviewing minutes of meetings of those charged with governance.
-

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MERTON VOLUNTARY SERVICE COUNCIL Trading name: Merton Connected**

FOR THE YEAR ENDED 31 MARCH 2025

- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including testing journal entries and other adjustments for appropriateness and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Professional scepticism in course of the audit and with audit sampling in material audit areas.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: <https://shorturl.at/4UQzV>. This description forms part of our auditor's report.

Use of our report

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



23/02/2026

Kevin Fisher BA FCA CTA (Senior Statutory Auditor)
For and on behalf of Kingston Burrowes Audit Ltd
308 Ewell Road
Surbiton
Surrey
KT6 7AL

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2025**

	<i>note</i>	Unrestricted Funds 2025	Restricted Funds 2025	2025	2024
INCOME		£	£	£	£
Donations	2	1,519	3,420	4,939	2,822
Charitable activities	5	648,857	856,847	1,505,704	1,681,686
Other Income	4	3,879	-	3,879	8,652
Investments	3	45,359	-	45,359	44,132
TOTAL INCOME		699,614	860,267	1,559,881	1,737,292
EXPENDITURE					
Charitable Activities	6	822,015	852,098	1,674,113	1,363,543
TOTAL RESOURCES EXPENDED		822,015	852,098	1,674,113	1,363,543
NET INCOME/EXPENDITURE		(122,401)	8,169	(114,232)	373,749
TRANSFER BETWEEN FUNDS	24	70,492	(70,492)	-	-
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit pension scheme	15	(8,490)	-	(8,490)	(308)
NET MOVEMENT IN FUNDS		(60,399)	(62,323)	(122,722)	373,441
RECONCILIATION OF FUNDS: TOTAL FUNDS BROUGHT FORWARD	24	363,488	1,039,533	1,403,021	1,029,580
TOTAL FUNDS CARRIED FORWARD	24	303,089	977,210	1,280,299	1,403,021

All income and expenditure is derived from continuing activities.

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

The notes on pages 23 – 37 form part of these financial statements.

MERTON VOLUNTARY SERVICE COUNCIL Trading name: Merton Connected
BALANCE SHEET
AT 31 MARCH 2025

	<i>note</i>	£	2025 £	£	2024 £
FIXED ASSETS					
Intangible assets	17	9,684		11,298	
Tangible assets	18	3,210		4,805	
			12,894		16,103
CURRENT ASSETS					
Debtors	19	229,020		329,242	
Cash at bank and in hand		1,195,746		1,179,619	
		1,424,766		1,508,861	
LIABILITIES					
Creditors - Amounts falling due within one year	20	(148,944)		(118,209)	
NET CURRENT ASSETS					
			1,275,822		1,390,652
NET ASSETS EXCLUDING PENSION LIABILITY					
			1,288,716		1,406,755
DEFINED BENEFIT PENSION SCHEME LIABILITY					
	15		(8,417)		(3,734)
TOTAL NET ASSETS					
			1,280,299		1,403,021
TOTAL FUNDS OF THE CHARITY					
Unrestricted Funds:	24		303,089		363,488
Restricted Funds	24		977,210		1,039,533
Total Charity Funds			1,280,299		1,403,021

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

Approved by the Board of Trustees on 19 February 2026 and signed on its behalf by:



Judith Brodie, Chair



Jen Goddard, Trustee

The notes on pages 23 – 37 form part of these financial statements

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025**

	<i>note</i>	2025	2024
Cash Flows from Operating Activities		£	£
Net cash provided by (used in) operating activities		<u>(29,232)</u>	<u>(270,171)</u>
Cash flows from investing activities:			
Interest from Investments	3	45,359	44,132
Purchase of intangible assets		-	(4,836)
Net cash provided by/(used in) investing activities		<u>45,359</u>	<u>39,296</u>
Change in cash and cash equivalents in the reporting period		16,127	(230,875)
Cash and cash equivalents at the start of the reporting period		1,179,619	1,410,494
Cash and cash equivalents at the end of the reporting period		1,195,746	1,179,619
Reconciliation of income/(expenditure) to net cash flow from operating activities			
Net (expenditure)/income for the reporting period (as per the statement of financial activities)		(122,722)	373,441
Adjustments for:			
Depreciation and amortisation charges	17,18	3,209	1,645
Interest from investments	3	(45,359)	(44,132)
Decrease/(Increase) in debtors		100,222	(176,751)
(Decrease)/Increase in creditors		30,735	(424,682)
(Decrease)/Increase in pension charge		4,683	308
Net cash used in operating activities		<u>(29,232)</u>	<u>(270,171)</u>
Analysis of cash and cash equivalents	<i>note</i>	2025	2024
		£	£
Bank and cash in hand		<u>1,195,746</u>	<u>1,179,619</u>
Total cash and cash equivalents		<u>1,195,746</u>	<u>1,179,619</u>

The notes on pages 23 – 37 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

1. ACCOUNTING POLICIES

Company status

Merton Voluntary Service Council is a charitable company limited by guarantee and registered in England and Wales. The registered office and company registration number are detailed on page 3.

Basis of preparation

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

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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

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

Preparation of the accounts on a going concern basis

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The Trustees have made this assessment considering the Charity's unrestricted free reserves, secured funding going forward and current and planned activities.

Income

All income is recognised in the Statement of Financial Activities when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably. Income received in advance of a project or other specified service is deferred until the criteria for income recognition are met (see Note 21.).

Expenditure and irrecoverable VAT

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

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

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP 2019 (FRS 102), the general volunteer time contributed is not recognised and refer to the Trustees' annual report for more information about their contribution.

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

1. ACCOUNTING POLICIES *continued*

Allocation of support costs

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

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

Pension costs and other post-retirement benefits

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

Please refer to Note 15 for further details on Pension arrangements.

Interest receivable

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

Fund accounting

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

Corporation Taxation

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

Intangible fixed assets

Intangible fixed assets include the development of a new website and database. The estimated useful years and amortisation method of the intangible assets are calculated on a straight-line basis as follows:

Asset Category	Annual Rate
Website	10% on cost
Database	10% on cost

Tangible fixed assets

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

Asset Category	Annual Rate
Computer and office equipment	33% on cost

Debtors

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

Cash at bank in hand

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

1. ACCOUNTING POLICIES *continued*

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

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

Operating leases

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

2. INCOME FROM DONATIONS AND LEGACIES

	2025	2024
	£	£
Donations	<u>4,939</u>	<u>2,822</u>

Income from donations was £4,939 (2024: £2,822) of which £1,519 was unrestricted (2024: £744) and £3,420 was restricted (2024: £2,078).

3. INVESTMENT INCOME

	2025	2024
	£	£
Interest received	<u>45,359</u>	<u>44,132</u>

All the Charity's investment income arises from money held in interest bearing deposit accounts and is unrestricted.

4. INCOME EARNED FROM OTHER ACTIVITIES

	2025	2024
	£	£
Service Income	123	3,430
Other income	<u>3,756</u>	<u>5,222</u>
	<u>3,879</u>	<u>8,652</u>

Income earned from other activities was £3,879 (2024: £8,652) all being unrestricted income.

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025**
5. INCOME FROM CHARITABLE ACTIVITIES

Grants and contracts received are as follows:

	2025	2024
	£	£
Unrestricted		
Canons House	-	15,234
ICS - Brazilian Model (Community Health & Wellbeing)	88,593	-
LBM - Notional Rent	37,949	37,949
LBM - Volunteering in Libraries Contract	17,500	17,500
Merton Clinical Commissioning Group - Social Prescribing Contract	493,632	518,323
Others	11,183	3,420
	<u>648,857</u>	<u>592,426</u>
Restricted - Project based		
CCG Capacity Building Fund	-	62,637
City Bridge Trust Merton Giving Grant	30,899	61,100
Core20 Plus Connector's Programme	46,699	-
Early Years Support	2,302	-
LBM - Civic Pride	207,613	207,113
LBM - Community Accountancy and Merton Giving Support	-	24,775
LBM - Community Hub Jigsaw	-	6,708
LBM - Healthwatch Grant	130,000	130,500
LBM - Transforming Communities	-	37,500
Merton EMHIP Inequalities Project	42,878	-
NHS South West Vaccination Outreach	17,000	-
Propel - Motivate Merton	213,268	383,576
Wimbledon Foundation Grant	20,500	20,500
	<u>711,159</u>	<u>934,409</u>
Restricted - Grants for third parties		
CYP Engagement	7,683	-
LB Haringey - Participatory Grant Giving Pilot	58,500	-
LBM - Inequalities	-	19,722
LBM - Merton Partnership Community Giving Grants	50,000	135,129
LBM - Ukraine	4,795	-
NHS 24-25 Winter Grants	24,710	-
	<u>145,688</u>	<u>154,851</u>
Total Restricted	<u>856,847</u>	<u>1,089,260</u>
Total Income from Charitable Activities	<u>1,505,704</u>	<u>1,681,686</u>

MVSC manages a range of grant funds on behalf of the public sector, including holding and distributing funds. The total of these grant funds is recognised in restricted income, shown above, however it is worthwhile noting that these funds are not used in direct charitable expenditure rather given to organisations as grants. During this year the total of this income was £145,688 (2024: £154,851).

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025**
6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Charitable Expenditure <i>note 7</i> 2025	Grants Given <i>note 8</i> 2025	Support Costs <i>note 9</i> 2025	Total Charitable Expenditure 2025	Total 2024
	£	£	£	£	£
General Activities	622,270	-	199,744	822,015	752,129
CCG Capacity Building Fund	-	-	-	-	5,000
City Bridge Trust - Merton Giving	51,202	-	-	51,202	85,331
Core20PLUS Connectors Programme	23,105	-	-	23,105	-
CYP Engagement Grant	-	7,693	-	7,693	-
Greater London Authority - Young Londoners	-	-	-	-	49
LBM - Civic Pride	202,338	-	-	202,338	145,864
LBM - Community Accountancy Support	7,629	-	-	7,629	327
LBM - Healthwatch	117,380	-	-	117,380	105,913
LBM - Merton Partnership Community Giving Grants	-	35,874	-	35,874	-
LBM - Ukraine	-	2,430	-	2,430	-
NHS 24-25 Winter Grants	-	8,180	-	8,180	-
Merton EMHIP Inequalities Project	209	25,000	-	25,209	1,591
Merton Giving Grant Distribution Fund	43,522	-	-	43,522	66,856
Propel - Motivate Merton	18,395	294,673	-	313,817	192,434
Wimbledon Foundation - Step Up	13,719	-	-	13,719	8,048
	1,099,769	373,850	199,744	1,674,113	1,363,542

7. DIRECT CHARITABLE EXPENDITURE

	2025	2024
	£	£
Direct Project costs	78,551	108,340
Office costs	36,840	61,794
Premises and hall hire costs	38,089	38,093
Professional fees and other costs	-	10,901
Staff and related costs	946,289	710,648
	1,099,769	929,776

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025**

8. GRANTS GIVEN

The following institutions were given cumulative grants in the year:

Grants Given	2025	2024
	£	£
Accoutre Centre for Learning CIC	-	2,500
AFC Wimbledon Foundation	45,952	37,055
Age UK Merton	550	-
Ashdon Jazz Academy	16,953	12,300
ATS Creative Academy CIC	19,157	8,943
Attic Theatre Company (London) Limited	3,020	2,500
Avanti Mental Wellbeing CIC	550	-
Care4Calais SW London	2,500	-
Carers First	400	-
Commonside Community Development Trust	1,100	2,500
Critical Support	1,692	-
Ethnic Minority Centre	4,470	4,994
Faith in Action - Merton Homelessness Project	2,500	-
Fayre n Square CIC	-	2,500
Filmanthropy CIC	27,030	12,300
Five Aside Theatre	2,500	2,500
Focus 4 1	-	2,514
Friends in St Helier (FISH)	500	-
Friends of Hillcross Primary School	500	-
FROG Learning CIC	2,310	2,500
Ghanaian Parents Association CIC	-	2,500
Graphite & Diamond Ltd	-	2,500
Home-Start Merton	470	-
Inner Strength Network CIC	8,700	23,000
Jigsaw4U	500	-
Learn English Together in Merton CIO	2,220	1,910
Learning Keys CIC	2,500	1,905
London Borough of Merton	27,340	6,480
Maggies at the Royal Marsden	2,500	-
Maroon Solis CIC	-	2,800
Merton Goan Senior Citizens Association	2,500	2,500
Merton Mencap	4,500	2,500
Merton Parents Bereaved by Suicide	2,505	-
Merton Vision	510	-
Mitcham Arts Collective CIC	2,000	2,482
Mitcham Town Community Trust	26,240	28,700
Need 2 Succeed	16,150	-

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025**
8. GRANTS GIVEN *continued*

Sherwood Park Hall CIC	2,500	2,500
Somali Community CIC	-	2,500
South Mitcham Community Association	1,899	-
South West London Law Centres	-	5,000
South West Runs	-	2,500
Springfield Advice and Law Centre	2,500	-
Sustainable Merton	-	2,500
The Nerve of my Multiple Sclerosis	-	2,500
Togetherness Community Centre	25,550	-
Tooting and Mitcham Community Sports Club Ltd	69,512	49,255
Ukrainian Refugee Help CIO	2,430	2,365
Unique Talent CIC	33,640	20,267
Veterans Community Choir CIC	-	2,500
Wimbledon Guild	1,000	2,500
Wimbledon Foodbank	2,000	-
Women Arise Ministries	2,500	2,500
	373,850	267,270

The following individuals were given cumulative grants in the year:

Antoinette Arthur	250	-
Miss Paris R Glasford	500	-
	750	-
TOTAL GRANTS GIVEN	374,600	267,270

9. SUPPORT COSTS

		2025	2024
	note	£	£
Governance costs	10	4,677	16,200
Office costs		62,145	18,775
Premises and hall hire costs		12,644	15,091
Professional fees and other costs		15,581	10,476
Staff and related costs		104,697	105,954
		199,744	166,496

10. GOVERNANCE COSTS

	2025	2024
	£	£
Audit fees	4,111	5,000
Committee & Strategic Planning costs	566	11,200
	4,677	16,200

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025**
11. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):	2025	2024
	£	£
Amortisation and depreciation	3,209	1,645
Audit fees	4,111	5,000
Operating lease rentals	-	17,440

12. STAFF COSTS

	2025	2024
	£	£
Pension costs	39,358	36,530
Social security costs	79,574	55,460
Wages and Salaries	858,108	628,083
	977,040	720,073

One employee (2024: nil) earned total employee benefits between £70,001 - £80,000 (excluding employer's national insurance and employer pension costs) (2024: £nil). Pension costs are allocated to activities in proportion to the related staffing costs incurred.

The Charity Trustees were not paid or received any other benefits from employment with the Charity in the year (2024: £nil) neither were they reimbursed expenses during the year (2024: £nil). No Charity trustee received payment for professional or other services supplied to the Charity (2024: £nil). The key management personnel of the Charity are detailed on page 5 of the accounts.

The total employee remuneration of the key management personnel (Trustees and CEO) of the Charity was £87,155 (2024: £82,945). Under FRS 102, total employee benefits include gross pay, benefits in kind, employer's national insurance contributions and employers pension costs.

13. STAFF NUMBERS

The average monthly number of employees (including casual and part time staff) during the year was as follows:

	2025	2024
	Numbers	Numbers
Senior Management & administration	6	5
Other Direct Charitable Staff	21	17
	27	22

The increase during the financial year 24/25 can be attributed to defined projects where staff have been employed on interim contracts to deliver the services.

14. TRANSACTIONS AND RELATED PARTIES

There were no related party transactions during the year or the previous year, other than the remuneration of key management personnel set out in Note 12.

15. PENSION COSTS

The charitable company has a defined contribution pension scheme, which all employees are entitled to join. Previously, the charitable company operated a defined benefit scheme, which is now closed to new members.

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025**
15. PENSION COSTS *continued*

This is a multi-employer scheme operated by TPT Retirement Solutions and, whilst it is not possible to estimate the share of the assets and liabilities of the scheme attributable to Merton Voluntary Service Council, TPT Retirement Solutions has estimated that the employers' debt on withdrawal liability at the most recent annual funding update of 30 September 2024 would have been £21,921 (30 September 2023: £44,126).

The Charity's Trustees consider that it is unlikely that any liability will crystallise in relation to this in the foreseeable future. Under FRS102, provision is required for the net present value of any agreed deficit recovery plan contributions relating to the Plan.

During the year ended 31 March 2025 payments have continued to be made in accordance with this plan and the provision for the net present value of deficit contributions was £8,417 (2024: £3,734).

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

	2025	2024
	£	£
Net interest from net defined asset/liability	99	305
	<u>99</u>	<u>305</u>

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

	2025	2024
	£	£
Defined benefit obligation	(3,734)	(7,994)
Contribution by scheme participants	3,807	4,568
Interest Cost	(99)	(305)
Re-measurement from changes in financial assumptions	(53)	(3)
Re-measurement from amendments to the contribution scheme	(8,338)	-
	<u>(8,417)</u>	<u>(3,734)</u>

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

	2025	2024
	£	£
Actuarial /(losses)/gains from changes in financial assumptions	(8,490)	(308)
	<u>(8,490)</u>	<u>(308)</u>

	2025	2024
	£	£
Discount rate	<u>4.84%</u>	<u>5.31%</u>

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

16. CORPORATION TAX

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

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025**
17. INTANGIBLE FIXED ASSETS

	Website	Database	Total
	£	£	£
COST			
At 1 April 2024	10,200	5,940	16,140
Additions	-	-	-
At 31 March 2025	10,200	5,940	16,140
AMORTISATION			
At 1 April 2024	3,060	1,782	4,842
Charge for year	1,020	594	1,614
At 31 March 2025	4,080	2,376	6,456
NET BOOK VALUE			
At 31 March 2024	7,140	4,158	11,298
At 31 March 2025	6,120	3,564	9,684

18. TANGIBLE FIXED ASSETS

	Computer and Office Equipment	Total
	£	£
COST		
At 1 April 2024	32,536	32,536
Additions	-	-
Disposal	-	-
At 31 March 2025	32,536	32,536
ACCUMULATED DEPRECIATION		
At 1 April 2024	27,731	27,731
Charge for the year	1,595	1,595
Disposal	-	-
At 31 March 2025	29,326	29,326
NET BOOK VALUE		
At 31 March 2024	4,805	4,805
At 31 March 2025	3,210	3,210

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade debtors	104,200	123,256
Other Debtors	2,133	2,133
Accrued Income	55,913	128,672
Prepayments	66,774	75,181
	229,020	329,242

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025**
20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Accruals	8,551	2,969
Credit Card	205	-
Credit Union	100	300
Deferred income	24,450	-
Funds held on behalf of other organisations	(48,090)	18,826
Grant Holding Account	12,538	12,538
Other creditors	30,345	602
Payroll clearing	25	-
Pension Contributions	7,856	9,577
Taxation and social security	15,961	17,184
Trade creditors	97,003	56,213
	148,944	118,209

21. DEFERRED INCOME

	Balance Brought Forward	Amounts released from previous year	Income deferred in the current year	Balance Carried Forward
	£	£	£	£
Deferred Income	-	-	24,450	24,450

Deferred income of £24,450 (2024: £nil) included above relates to grant income received during the year but relating to a future accounting period

22. OPERATING LEASE COMMITMENTS

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

	2025	2024
	£	£
Expiring:		
Within one year	-	17,440
Between one and five years	-	-
More than five years	-	-
	-	17,440

The above commitments include service charges as well as rent.

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year information for the net assets between funds:

	Unrestricted Funds			Restricted funds	2025
	General Funds	Designated Funds	Pension Funds		Total Funds
	£	£	£	£	£
Fixed assets	12,894	-	-	-	12,894
Current assets	397,106	26,000	-	1001,660	1,424,766
Current liabilities	(124,494)	-	-	(24,450)	(148,944)
Pension liability < 1 year	-	-	(8,417)	-	(8,417)
	285,506	26,000	(8,417)	977,210	1,280,299

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025**

Comparative year information for the net assets between funds:

	Unrestricted funds			Restricted funds	2024
	General Funds	Designated Funds	Pension Funds		Total Funds
	£	£	£	£	£
Fixed assets	16,103	-	-	-	16,103
Current assets	443,328	26,000	-	1,039,533	1,508,861
Current liabilities	(118,209)	-	-	-	(118,209)
Pension liability < 1 year	-	-	(3,734)	-	(3,734)
	341,222	26,000	(3,734)	1,039,533	1,403,021

24. MOVEMENT IN FUNDS

	Balance at 01/04/2024	Incoming Resources	Outgoing Resources	Transfers between funds	Gains/ (losses)	Balance at 31/03/2025
	£	£	£	£	£	£
Unrestricted Funds						
General Fund	341,222	699,614	(822,015)	66,685	-	285,506
Designated Fund	26,000	-	-	-	-	26,000
Pension Fund	(3,734)	-	-	3,807	(8,490)	(8,417)
Total Unrestricted Funds	363,488	699,614	(822,015)	70,492	(8,490)	303,089
Restricted Funds						
CCG Capacity Building Fund	57,637	-	-	-	-	57,637
City Bridge Trust - Merton Giving	149,007	180,008	(148,901)	-	-	180,114
Comm Hub Jigsaw Model Research Year Project	31,913	-	-	(31,913)	-	-
Core Connectors	-	46,699	(23,105)	-	-	23,594
Early Years Support	-	2,302	-	-	-	2,302
LBM - Community Accountancy	79,497	-	(7,629)	(8,000)	-	63,868
LBM - Civic Pride	8,537	207,612	(202,338)	-	-	13,811
LBM - Healthwatch	37,460	130,000	(117,380)	-	-	50,080
LBM - Transforming communities capacity funding	37,500	-	-	-	-	37,500
Merton EMHIP Inequalities Project	5,000	42,878	(25,209)	-	-	22,669
NHS South West Vaccination Outreach	-	17,000	-	-	-	17,000
Propel - Motivate Merton	127,132	213,268	(313,817)	(30,628)	-	(4,045)
Sutton and Merton CCGs' Charitable Funds	488,306	-	-	-	-	488,306
Wimbledon Foundation – Merton Step Up	17,593	20,500	(13,719)	-	-	24,374
Young Londoner's Fund	(49)	-	-	49	-	-
Total Restricted Funds	1,039,533	860,267	(852,098)	(70,492)	-	977,210
TOTAL FUNDS	1,403,021	1,559,881	(1,674,113)	-	(8,490)	1,280,299

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025**
24. MOVEMENT IN FUNDS *continued*

Comparative year information for movement in funds:

	Balance at 01/04/2023	Incoming Resources	Outgoing Resources	Transfers between funds	Gains/ (losses)	Balance at 31/03/2024
	£	£	£	£	£	£
Unrestricted Funds						
General Fund	322,112	645,954	(752,129)	125,285	-	341,222
Designated Fund	26,000	-	-	-	-	26,000
Pension Fund	(7,994)	-	-	4,568	(308)	(3,734)
Total Unrestricted Funds	340,118	645,954	(752,129)	129,853	(308)	363,488
	£	£	£	£	£	£
Restricted Funds						
City Bridge Trust - Merton Giving	4,244	61,100	(85,331)	19,987	-	-
CCG Capacity Building Fund	-	62,637	(5,000)	-	-	57,637
Comm Hub Jigsaw Model Research Year Project	25,205	6,708	-	-	-	31,913
LBM - Community Accountancy Support	55,049	24,775	(327)	-	-	79,497
LBM - Healthwatch	12,873	130,500	(105,913)	-	-	37,460
LBM - Transforming communities capacity funding	-	37,500	-	-	-	37,500
Merton EMHIP Inequalities Project	-	19,722	(1,591)	(13,131)	-	5,000
Propel - Motivate Merton	-	383,576	(192,434)	(64,010)	-	127,132
Sutton and Merton CCGs' Charitable Funds	488,306	-	-	-	-	488,306
LBM Civic Pride	-	207,113	(145,864)	(52,712)	-	8,537
Young Londoner's Fund	-	-	(49)	-	-	(49)
Merton Giving Grant Distribution Fund	98,644	137,207	(66,857)	(19,987)	-	149,007
Wimbledon Foundation – Merton Step Up	5,141	20,500	(8,048)	-	-	17,593
Total Restricted Funds	689,462	1,091,338	(611,414)	(129,853)	-	1,039,533
TOTAL FUNDS	1,029,580	1,737,292	(1,363,543)	-	(308)	1,403,021

25. FUNDS

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

The Designated Fund for £26000 relates to future Merton Giving management costs which are expected to contributed towards the management costs during 2026/27.

Name of restricted fund	Description, nature, and purposes of the fund
Capacity Building – Trust for London	To enhance the knowledge and skills of local BAME organisations with regards to housing, planning and regeneration issues, enabling them to better support their members and BAME residents to present and campaign on the issues that affect them. The underspend on this fund was used to continue the project work which was delayed by the pandemic.

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025**

25. FUNDS *continued*

City Bridge Trust – Merton Giving	This element of the City Bridge Trust funding provides funding to both MVSC and Merton Chamber of Commerce to jointly generate income and arrange subsequent grant funding rounds through the Merton Giving Fund. The funding targets and outcomes have been over-achieved as a result of the continued activity of the Merton Giving Coronavirus Fund and its successors.
Core Connectors	Health Inequalities funding, support for global majority communities suffering health inequalities
Early Years Support	Support project for families with young children
LBM – Community Accounting Support	As part of the work done within the Merton Giving team, we have also supported organisations with community accountancy during the application process.
LBM – Civic Pride	Core funding for volunteering and development
LBM - Healthwatch	Healthwatch is the consumer champion for health and social care services in LBM.
Merton EMHIP Inequality Project	The Ethnic Mental Health Improvement Plan (EMHIP) project provides outreach and support within the borough as part of the ICB Health Inequalities fund to understand barriers to accessing health services
NHS South West Vaccination Outreach	Promote vaccines to global majority communities where there is low uptake
Propel – Motivate Merton	GLA grant funding to support young people through a mentoring programme
Sutton and Merton CCG Charitable Funds	These funds were transferred to MVSC in February and March 2020 from an 'umbrella' charity managed by the Sutton and Merton CCGs. The transferred funds will be managed by MVSC and channelled through Merton Giving as grants to voluntary organisations and other not-for-profit bodies within the Borough of Merton to provide services with a focus on supporting residents and patients accessing local health and wellbeing services. MVSC will be promoting the development of social prescribing services throughout the borough and undertaking other activities, taking advice from the local PCN.
Wimbledon Foundation – Merton Step-Up	The Merton Step-up programme was conceived as a natural progression to the Merton Skill-up project (a capacity building project funded by Wimbledon Foundation for a three-year period). Its aim is to provide a coherent and structured framework to support organisations evolution and ratify that they have met at least a foundation level of quality in terms of organisational governance and service delivery. The programme has been used to respond to inequalities exposed by the pandemic, engaging with small local organisations who have either themselves been disproportionately affected by the pandemic and/or whose beneficiaries have been so (these include three local community centres, two of who are new and the third is undertaking a fundamental review of their organisation).

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025**
26. CAPITAL COMMITMENTS

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

27. CONTINGENT ASSETS

Total grant funding awarded as at 31 March 2025 but not yet received and recognised as income due to the recognition criteria not being met amounts to £709,624 (2024: £1,644,864).

Funds

	2025	2024
	£	£
City Bridge Trust	-	31,000
LBM - Civic Pride	201,113	402,225
LBM - Healthwatch Merton	125,000	250,000
London Borough of Merton	307,049	614,098
Merton Giving	-	100,000
Propel - Motivate Merton	-	206,541
Social Prescribing Project	55,962	-
Wimbledon Foundation Grant	20,500	41,000
	<u>709,624</u>	<u>1,644,864</u>

28. LEGAL STATUS OF THE CHARITY

Merton Voluntary Service Council is a registered charity (charity number 1085867) and private company (Company No: 04164949) incorporated in Great Britain and registered in England and Wales. The company is limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is given in the Legal and Administrative Information on page 3.

	2025	2024
	£	£
Voluntary income		
Donations	4,939	2,822
Investment income		
Interest received	45,359	44,132
Incoming resources from charitable activities		
Grants and contracts	1,505,704	1,681,686
Other trading activities		
Miscellaneous income	3,756	5,222
Service Income	123	3,430
Total Income	<u>1,559,881</u>	<u>1,737,292</u>

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2025**

	2025	2024
	£	£
Charitable activities		
Staff Salaries	858,108	628,083
Employers National Insurance	79,574	55,460
Pension	39,358	36,530
Pension Scheme Costs	8,912	-
Staff Training	2,140	5,666
Associates and Interim Staff	47,746	66,330
Staff travel	435	1,646
Recruitment	14,768	19,892
Other staff expenses	3,912	2,996
Premises costs	47,523	51,540
Volunteers' expenses	663	603
Committee and meeting costs		2,824
Grants given	374,600	267,270
Publications and subscriptions	4,028	6,860
Communication and publicity	5,075	6,165
Stationery, postage and telephone	12,540	9,447
IT costs	75,201	54,668
Depreciation and amortisation	3,209	1,645
Other costs	1,622	2,325
Professional fees	10,593	17,888
Bank charges	878	1,164
Direct project costs	78,551	108,341
	1,669,436	1,347,343
Governance costs		
Audit Fees	4,111	5,000
Committee and Strategic Planning costs	566	11,200
	4,677	16,200
Total Expenses	1,674,113	1,363,543
Operating (Deficit)/Surplus	(114,232)	373,749

This page does not form part of the statutory financial statements

ACCOUNTS 31 March 2024 25 - FINAL

Final Audit Report

2026-02-23

Created:	2026-02-23
By:	Amy Gee (amyg@mertonconnected.co.uk)
Status:	Signed
Transaction ID:	CBJCHBCAABAAgAGIAUrO8-SI-F-n2Z8C7dEVDQyZr1_O

"ACCOUNTS 31 March 2024 25 - FINAL" History

-  Document created by Amy Gee (amyg@mertonconnected.co.uk)
2026-02-23 - 12:53:12 PM GMT
-  Document emailed to Judith Brodie (judith@leadershipforsocialchange.co.uk) for signature
2026-02-23 - 12:53:20 PM GMT
-  Email viewed by Judith Brodie (judith@leadershipforsocialchange.co.uk)
2026-02-23 - 3:06:40 PM GMT
-  Document e-signed by Judith Brodie (judith@leadershipforsocialchange.co.uk)
Signature Date: 2026-02-23 - 3:09:02 PM GMT - Time Source: server
-  Document emailed to Jen Goddard (jen_goddard@hotmail.com) for signature
2026-02-23 - 3:09:04 PM GMT
-  Email viewed by Jen Goddard (jen_goddard@hotmail.com)
2026-02-23 - 3:12:50 PM GMT
-  Document e-signed by Jen Goddard (jen_goddard@hotmail.com)
Signature Date: 2026-02-23 - 3:23:10 PM GMT - Time Source: server
-  Document emailed to Kevin Fisher (kevinfisher@kingstonburrowes.com) for signature
2026-02-23 - 3:23:12 PM GMT
-  Email viewed by Kevin Fisher (kevinfisher@kingstonburrowes.com)
2026-02-23 - 3:23:23 PM GMT
-  Document e-signed by Kevin Fisher (kevinfisher@kingstonburrowes.com)
Signature Date: 2026-02-23 - 4:00:45 PM GMT - Time Source: server
-  Agreement completed.
2026-02-23 - 4:00:45 PM GMT

Accounts

REGISTERED COMPANY NUMBER: 04164949
REGISTERED CHARITY NUMBER: 1085867

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024**

FOR

MERTON VOLUNTARY SERVICE COUNCIL



MERTON VOLUNTARY SERVICE COUNCIL

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

	Page
Legal and administrative information	3
Report of the Trustees	4 to 15
Report of the Independent Auditor to the Members	16 to 18
Statement of Financial Activities	19
Balance Sheet	20
Statement of Cash Flows	21
Notes to the Financial Statements	22 to 38

MERTON VOLUNTARY SERVICE COUNCIL

**LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 MARCH 2024**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04164949 (England and Wales)

Registered Charity number
1085867

Trading Name
Merton Connected

Registered office
The Vestry Hall
London Road
Mitcham
Surrey
CR4 3UD

Auditor
Kingston Burrowes Audit Ltd
308 Ewell Road
Surbiton
KT6 7AL

Bankers
Unity Trust Bank
Nine Brindley Place
4 Oozells Square
Birmingham
B1 2HB

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

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

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

The Trustees (who are also directors of the charitable company for the purposes of the Companies Act 2006) are pleased to present their annual Trustees' Report for Merton Voluntary Service Council (MVSC), together with the audited financial statements for the year ending 31 March 2024, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and UK Generally Accepted Accounting Practice.

MERTON VOLUNTARY SERVICE COUNCIL's (MVSC) MISSION

MVSC's mission is to inspire and develop an excellent voluntary and community sector in the London Borough of Merton (LBM).

MVSC's Charitable Objects are:

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

PRINCIPAL ACTIVITY

The charitable company's principal activity for the year, which is ultimately the objects set out in the Articles of Association of MVSC was to provide practical support to voluntary and community organisations, liaison and advocacy, community engagement, development, standard setting, strategic partnership working and fund management. The charitable objects in the Articles of Association The social prescribing service promotes health (in line with Article 1) and partnership working between the NHS and third sector (in line with Article 3).

PUBLIC BENEFIT

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

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

MVSC is a registered charity and company limited by guarantee. MVSC has pursued effective governance throughout the year, following provisions and procedures in its Memorandum and Articles of Association. MVSC also trades under the name Merton Connected (MC). Membership of MVSC is as set out in the Articles of Association.

MVSC is reviewing its Articles in 2024/5 to ensure they are aligned with the way of operating and are relevant for the future. Following COVID, and changes of personnel and to data management, we recognised the Articles need to be reviewed and updated.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

Trustees

The Trustee Board is made up of not less than five and no more than fifteen persons. New Trustees are provided with an induction programme led by the Chief Executive Officer and are also provided with a copy of the Memorandum and Articles of Association and the latest Annual Report and Financial Statements. The induction programme includes a briefing on their obligations under company and charity law, the decision-making processes within MVSC, the Business and Strategic Plans, and information relating to operational and financial management. Trustees can meet staff. Trustees are also encouraged to participate in appropriate external training events which can facilitate the undertaking of their role.

The Board of Trustees governs the Charity. The Board meets four to five times a year, with a Finance Committee, meeting and occasional task and finish groups to look at specific issues and report back. All task and finish groups have clear terms of reference, which are agreed by the Board before they are established.

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

Trustee	Changes in year
Brian Dillon	Chair and Secretary (from 1 October 2022) retired 19 February 2024
Kate Wignall	Retired 19 February 2024
Emma Wiley	Appointed 19 February 2024
Jennifer Goddard	
Wendy Jane Pridmore	
Asha Newsum	
Judith Brodie	Chair - Appointed 19 February 2024
Nigel Lawson	Treasurer - Appointed 19 February 2024

Management of MVSC

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

Senior Management Team

Tony Molloy	Chief Executive Officer
Adwoa Fadahunsi	Head of Development and Volunteering
Dave Curtis	Head of Healthwatch Merton
Ben Halschka	Head of Social Prescribing
Amy Gee	Office Manager appointed 4 October 2023
Andrea Kibble	Interim Head of Finance until 30 April 2023.
Genieve Jones	Interim Head of Finance appointed 5 May 2023

Pay policy for the Senior Management Team

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

Related parties and co-operation with other organisations

None of our Trustees receive remuneration or other benefit from their work with the Charity. Any connection between a Trustee or a senior manager of the Charity with a supplier, funder, or charitable organisation in the London Borough of Merton (LBM) is disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party. Further details of any related party transactions can be found in Note 11 and 13 of the accounts.

Use of volunteers

One of the aims of the Charity is to match expressions of interest in volunteering to volunteer opportunities offered, with a focus on providing additional capacity to local voluntary and community organisations. MVSC continues to provide Home Visit Libraries volunteers under contract to the London Borough of Merton (LBM) and is grateful for the support of the many volunteers who support local organisations and MVSC itself.

OBJECTIVES AND ACTIVITIES

High levels of demand have been created by the increased cost-of-living crisis, and pressures on the health service have meant there is greater requirement on services within the voluntary sector. MVSC has continued to inspire, support, and develop the voluntary and community sector in the LBM to enrich the lives of residents of the borough.

Our key objectives for the year were to modify as necessary and continue existing key objectives, including to:

- Continue to provide support to existing organisations and help create new voluntary sector organisations to strengthen and build capacity in LBM's voluntary, community and faith sectors for the benefit of the residents they serve.
- Create models of partnership working such as Motivate Merton a partnership of ten organisations working to deliver mentoring opportunities to young people funded by GLA /Propel funding.
- Continue to work with the Integrated Care Systems (ICS) structure at borough and Southwest London (SWL) level. Work with and deliver pilot / longer term health projects such as the Community Health and Wellbeing project, Ethnic Minorities Improvement Project (EMHIP) and Core Connectors.
- Continue successful delivery of Social Prescribing in line with the Social Prescribing contract, supporting all GP practices across all six Primary Care Networks (PCNs) in the borough.
- Ensure Healthwatch Merton remains a relevant consumer health champion, identifying good practice, opportunities, and challenges within LBM.
- Work with the Merton Chamber of Commerce, partners and donors including Wimbledon Foundation, LBM, Integrated Care Systems (ICS), City Bridge Foundation (CBF) to administer funds through Merton Giving (MG).
- Support the Wellbeing Hub at the Wilson Hospital following its successful launch April 2023, in partnership with the Steering Group, the CCG and Public Health team at LBM.

ACHIEVEMENTS AND PERFORMANCE

This section provides highlights from the annual review of MVSC's work and forms part of the annual financial statement.

Some key highlights for the year are as follows:

Trustee Board

During the latter part of the financial year 2023/24 the Chair and Secretary resigned along with a further dedicated trustee. We have recruited a new Chair, Treasurer, and trustee to strengthen our Board of Trustees.

Wilson Wellbeing Initiative

Funding has been secured by the Integrated Care Board (ICB) to support the active development of wellbeing activities through to the end of 2024. Merton Giving has provided additional gap funding until June 2025 when the ICS will fund the initiative going forward. This presents additional support for residents and voluntary groups to deliver activities within the Mitcham area and has established itself to be an increasing impactful resource.

Social Prescribing

MVSC were successful in being awarded a year 3 contract in October 2021 for the team of ten Social Prescribers supporting all GP surgeries in the borough. The dedicated team has grown and continues to exceed the targets and requirements of the contract. In addition, this year has seen MVSC extend the service with an innovative pilot programme providing a Social Prescribing service to High Intensity Users (HIU).

Merton Giving Fund

There has been one successful round of grant giving since April 2023 to support Merton residents with the cost-of-living pressures.

Motivate Merton fund by the GLA Propel Fund

MVSC was awarded a grant to deliver a partnership mentoring program to 420 young people over a two-year period by bringing a partnership of voluntary groups together to jointly deliver the mentoring through a mix of voluntary and paid mentors.

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

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

- We're committed to keeping the voluntary and community sector informed with essential news, funding, and volunteering opportunities. We also held a successful skill-sharing marketing workshop with 12 attendees.
- With our recently consolidated Facebook pages we have 894 followers, we have established a new Instagram presence with 347 followers, and integration with the Next-door App. Our newsletter subscription has grown to 886 from 640 a year ago. This refresh, shaped by stakeholder feedback, makes our platforms more accessible and relevant to our community's evolving needs
- MVSC continues to deliver one-to-one support sessions to local voluntary, community, and faith sector organisations on a variety of topics including, governance, safeguarding, income generation, and help and advice.
- MVSC supported organisations to achieve funding from a range of funders, bringing additional services and income into the borough. MVSC through the GLA Propel scheme was awarded a grant of £590,117 over 2-years (from 2023/24 and 2024/25) benefiting 10 organisations within the borough. This has proved successful. MVSC also supported organisations with applications to the borough's holiday activities and food clubs (HAF Funding).
- Volunteering support with over 500 residents registering an interest in volunteering by signing up to a newly launched volunteering database Simply Connect. We sought to keep existing and potential volunteers

informed by producing regular bulletins, as well as utilising our social media channels and outreach events to recruit to specific roles.

Create models of partnership working, including with the Integrated Care Systems (ICS) to deliver pilot/long-term projects

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

- Working with LBM and health colleagues from the ICS to support several initiatives to engage even more successfully with communities and individuals to improve understanding and engagement with proactive health initiatives. These include Core 20 Connectors, Ethnicity and Mental Health Improvement Project (EMHIP).
- Motivate Merton is a young person's mentoring scheme funded by GLA through their Propel Funding where young people aged between 11 and 24 are mentored by 10 organisations within the London Borough of Merton and MVSC is the lead co-ordinating organisation. The project will provide mentoring opportunities for at least 420 young people over a 2-year period.
- Contributing and influencing policy at regional, sub-regional and borough level, across the wider health and social care agenda, representing the views and amplifying the voice of the sector, by senior team member presence on key local and regional boards, such as; Care Together Board, Safer Merton Partnership, Children Trust and Merton Safeguarding Children Partnership, Health and Wellbeing Board, Safer Neighbourhood Board, Merton Safeguarding Adult Board and VAWAG Board.

Promote, support, and develop liaison, advocacy, joint working, and strategic partnership between sectors, being a strong advocate of partnership working and the power of collaboration. Examples include:

- The CEO is a member of the SWL VCSE Alliance Leadership Group which has grown from the VSCE transition team for the ICS. The group works sub-regionally with the five other CVS organisations across the London Boroughs of Croydon, Sutton, Kingston, Wandsworth, and Richmond in South West London (SWL). The group highlights health inequalities and promotes the idea of co-production (between the voluntary and statutory sectors) as an effective mechanism for addressing these societal issues, sub-regionally, as well as at Borough and neighbourhood level.
- Supporting partnership and collaborative working between voluntary and public sector organisations.

Contracted Home Visits Library Service

MVSC continue to run a home visits library service throughout LBM where volunteers select and deliver library books to those who are unable to visit the library.

11 volunteers have supported 102 housebound residents (an increase of 19 households), investing over 792 estimated volunteer hours (an increase of 112 hours) with 1,444 deliveries (an increase 448 deliveries) including bulk deliveries to local care homes, to ensure their residents are also able to continue to access a library service

Continue successful delivery of social prescribing services

MVSC has been delivering and developing the Social Prescribing (SP) model since 2017. Highlights include:

ONS Wellbeing Tool

The Social Prescribing team has been using the wellbeing tool of the Office for National Statistics (ONS) since January 2020. The ONS Wellbeing outcomes for Social Prescribing patients are as follows.

ONS Wellbeing outcomes, Apr 2023 – Mar 2024

81% of patients have experienced positive changes
8 % of patients have experiences no changes
11% of patients have experienced negative changes

Appointments Delivered

The main KPI for our contract delivery is KPI 1.4 "Working with Primary Care to achieve 80% service utilisation rate". The team has been overperforming since April 2020 and all KPIs have consistently been met far beyond the contractual expectations.

Apr 2023 73%	Jul 2023 81%	Oct 2023 102%	Jan 2024 95%
May 2023 87%	Aug 2023 101%	Nov 2023 90%	Feb 2024 96%
Jun 2023 103%	Sep 2023 93%	Dec 2023 69%	Mar 2024 78.28%

The annual average utilisation rate for last financial year is 89%.

Number of New Referrals Received

The Social Prescribing team has received 3,572 new referrals between April 2023 and March 2023. In comparison, the team received 2,615 new referrals during previous financial year. The main reasons for referrals during the last financial year have been for Mental Health, Loneliness and Isolation, Housing and Financial Advice and Support for Carers.

Data Collection

The Merton Social Prescribing team uses Elemental software to collect and store data safely. Elemental has been interfaced with EMIS; the software used within Primary Care in LBM. Our team has been clinically evaluated by Oxford University in 2022 and we are one of the most digitally mature Social Prescribing services in the UK. Our data is shared monthly with the ICB and PCN and quarterly with the ICS.

Ensure Healthwatch Merton remains a relevant consumer health champion

Healthwatch Merton has continued to deliver on its mission of ensuring local people have a voice in shaping local health and care services. Despite a challenging year, they have made significant strides in both community outreach and influencing change across local, regional, and national health and care strategies.

1. Community Outreach and Engagement

From April 2023 to March 2024, Healthwatch Merton engaged with over 800 residents across various outreach events and activities. These efforts helped gather essential feedback on local health and social care services, ensuring that the voices of those most affected by service provision were heard and considered in future planning.

Notable outreach activities included:

- Blossom Hill Special Needs School: Engaged with 40 young people about their health and future aspirations.
- Fusion Multicultural Group, Colliers Wood: Hosted a health talk on hypertension, engaging 30 BAME women in discussions about their health.
- Canons House Grounds Outreach: Engaged with 20 parents' post-school, discussing health services and emerging family needs.
- Mitcham Carnival, Commonside East: Gathered feedback from 35 public participants on health services and local needs.
- Phipps Bridge Community Funday: Involved 40 Phipps Bridge residents of various ages in providing feedback on health services.
- Discovery Heritage Day, Civic Centre Engaged 17 residents, gathering input on health service provision.
- Merton College Freshers Fair: Spoke with 20 young people, gaining insights into their health concerns and aspirations.
- Ukrainian Refugees Help, Wimbledon: Consulted with 12 Ukrainian refugees on health services and access to information.

- Women Arise Ministries, Pollards Hill: Engaged with 12 parents to understand health care needs for their families.

Additionally, 33 Merton residents approached Healthwatch Merton for clear guidance on mental health, the cost-of-living crisis, and other urgent health-related topics.

2. Influencing Change and Advocacy

Healthwatch Merton has used feedback to advocate for improvement in local health and key areas of influence:

- Virtual Wards: Healthwatch Merton contributed to the extension of the virtual wards program across SWL and conducted outreach to gather local opinions and contributed to a joint report with Healthwatch Croydon and Wandsworth, which helped secure the program's continuation. This program enables patients to receive care at home, reducing unnecessary hospital admissions.
- Veteran Aware Accreditation for GP Practices: Healthwatch Merton continued to advocate for better recognition and support for the needs of veterans in the borough. These efforts resulted in an increase in accredited Veteran Friendly GP practices from 2 to 8 during the year. Healthwatch Merton aims to see all GP practices in the borough attain this accreditation by the end of 2024/2025.
- London Ambulance Service (LAS) Strategy: In partnership with 19 other Healthwatch organisations in London, we helped shape the LAS 2023-2028 strategy, providing feedback on emergency and urgent care services. This strategy aims to improve access to urgent care for residents across London.
- Accessible Dentistry: Healthwatch Merton worked closely with dental providers, NHS management, and public health stakeholders to address access issues in local dental care services, ensuring that people who struggle to access these services are supported with better preventative care options.
- Digital Inclusion: As part of the SWL ICS, Healthwatch Merton advocated for digital inclusion to ensure that people with limited access to digital devices, technology skills, or language proficiency are not excluded from new digital health services being introduced across the region.

3. Communication and Public Engagement

Throughout the year, Healthwatch Merton distributed 12 e-bulletins to keep the public informed about health and care services in the borough. These bulletins shared important updates, local opportunities, and invited residents to engage with ongoing consultations.

Sustain and develop Merton Giving in partnership with Merton Chamber of Commerce

MVSC continues to be the lead partner for place-based giving initiatives in collaboration with Merton Chamber of Commerce, with MVSC taking the lead role with both grant distribution and fundraising. During October 2023 the Merton Giving Civic Pride Small Grants fund was launched which saw 23 successful applicants to the fund being awarded £54,209. Of the successful applicants, seven were new groups to Merton Giving. 13 of the successful applications mentioned worked throughout the borough, the remaining ten specifically worked within the east of the borough.

CURRENT PERFORMANCE PRIORITIES

- Continued support of the growth and resilience of the local Voluntary, Community and Faith sectors.
 - Further close working with the LBM and ICS teams to fully recognise and utilise the strength, insight, and commitment of the voluntary sector to support communities and local residents.
 - Taking a strong lead on behalf of the Voluntary, Community and Faith sector. To organise communications and forums to inform and listen to sector concerns and promote opportunities, including working in tandem with Healthwatch Merton.
 - To further develop Healthwatch Merton impact in helping to promote user voices in tackling health inequalities in the borough.
 - Continue to be a leading Social Prescribing organisation, not just in the borough, but as a national exemplar
-

of innovation and Good Practice and to share such practice and expertise with colleagues, both nationally and regionally. To look to further opportunities such as the Community Health and Wellbeing service.

4. PLANS FOR 2024/2025

MVSC (Merton Connected) continues to have a key role in the London Borough of Merton, supporting communities through its key role strengthening and developing the Voluntary, Community and Faith sectors in the borough.

In 2024/5, we will be working on a new long-term strategy to take us forward from 2025/6, and ensuring our Articles of Association are updated to support us to deliver the new strategy.

While the past year was challenging, MVSC continued help set up and support new organisations and provide a range of assistance to existing organisations, including helping them to produce successful applications to regional and national funding bodies.

MVSC's ambition remains to commission local services, which will also deliver embedded partnerships working in collaboration amongst and across our local VCSE sector. An example is the Motivate Merton partnership which in partnership lead by MVSC with 11 voluntary groups to deliver mentoring services to young people, this project is funded via the GLA's Propel funding stream.

Core Services

Having completed and evaluated the pilot Step-Up programme, we have been funded for a further 3 years to deliver this program to local grassroots organisations, we have created a Step-Up Quality Assurance programme. This localised Quality Assurance framework, provides intensive support to local small and micro-organisations with the knowledge, skills and understanding (through a variety of mechanisms: 1-2-1 support, training workshops, action learning sets) to develop their practice and governance and evidence that they meet basic standards of quality in both the organisations' governance structures and service delivery.

The Core Services Team will continue to invest time in an asset-based model of community development, looking at what assets already exist within communities/neighbourhoods and building upon them to improve the health, wellbeing, and resilience of local residents.

Our work funded through the Core20Connectors programme has developed with a model of positive community development and engagement, utilising core individuals within the community to engage with residents and spread important health messages, whilst at the same time gaining a greater understanding of residents lived experiences and needs. We currently employ 2 part-time employees who are embedded within the community addressing mental health and prostate cancer awareness amongst black men and female health issues for BAME women.

The Community Health and Wellbeing service is an innovative pilot scheme where MVSC employ 2 Community Health and Wellbeing Officers in Phipps Bridge and Pollards Hill funded by the ICB. This project will take time to establish but is progressing well with community events and engagement.

Healthwatch Merton

Health and care services are currently facing unprecedented challenges. Healthwatch Merton has several areas of focus identified going into 24/25 (below), however, we actively identify new areas of work throughout the year that we add to our work programme in response to National, Regional and local requirements.

- Work to identify and raise the profile for eastern European residents within Merton.
- Continue to focus on strengthening the Voice within service design and improvement locally for Armed Forces Veterans.
- In partnership with our five Southwest London Healthwatches to conduct joint community engagement research that aims to improve compliance with the Accessible Information Standard in GP practices in Southwest London.

Social Prescribing

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

MVSC remains committed to the development, enhancement and improvement of the Social Prescribing service with ongoing support from the borough's 21 GP practices. In late 2024 MVSC successfully recruited a new Head of Service internally thus retaining the knowledge and experience built since the service's inception.

Whilst the pilot Social Prescriber Link Worker in the Pain Clinic ceased, a new pilot for a Social Prescriber for a High Intensity Users at St George's is under way and a Sickle Cell Health Coach / Social Prescriber position is being recruited to. Our Social Prescribing team will also continue to promote the success of the LBM model to other boroughs in the sub-region, region and nationally, and remain a key contributor to the continuing growth and knowledge of social prescribing services nationally. MVSC anticipate in line with the NHS Ten Year Plan, that the ICS will develop more locally commissioned health-based services which will look to increase prevention, with a greater focus on local community delivery.

Over time MVSC expect the ICS to include an increasing number of local third sector organisations supporting the direct delivery of front-line health and care services. This approach will not only further address and remedy health inequalities but will also build on the successful involvement of local organisations and volunteers who, for example, successfully supported the Covid-19 vaccination programme. This service remains an area of business MVSC remains committed to.

Merton Giving

Merton Chamber of Commerce has reviewed its involvement within the Merton Giving partnership, this has resulted in a change in the second half of 2024/25. MVSC will take more of a lead role with both grant distribution and fundraising for Merton Giving and Merton Chamber of Commerce will provide business liaison opportunities. To achieve this MVSC will undertake a fundraising review,

Central Staff Services

To achieve the above outputs and outcomes MVSC has invested internally to strengthen and future proof the organisation. This has included expanding the staff team and investing in their individual and collective training and development and wellbeing, including introduction of a staff survey which will be conducted annually and providing the opportunity to create tailored workplace action plans, as well as improving and strengthening the recruitment and induction process. We continue to develop our digital and communication resources and systems, including providing a conferencing facility, making the change to a cloud-based phone service, incorporating more effective utilisation of Microsoft Office 365 apps such as SharePoint and Teams, creating and establishing an intranet, and sending a regular internal newsletter to improve communication across the service.

FINANCIAL REVIEW

Financial Statements

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

Statement of Financial Activities

The Statement of Financial Activities is shown on page 19 with a more detailed analysis of income and expenditure within the notes to the financial statements. Total incoming resources for the year increased to £1,737,292 (2023: £1,456,705). Grants and contract income for this year was £1,681,686 (2023: £1,395,656) this is split between £592,426 (2023: £830,770) unrestricted funding, £1,089,260 (2023: £564,878) restricted funding and a range of grant funds which MVSC manages on behalf of the public sector, including holding and distributing funds.

The total of these grants for distribution to third parties is recognised as restricted income, however it is worthwhile noting that these funds are not used in direct charitable expenditure rather given to organisations as grants. During this year the total of this income was £154,852 (2022/23: £218,000). Full details are shown in Note 5.

Donations this year have decreased compared to last year £2,822 (2023: £4,877).

The total expenditure for the year was £1,363,543 (2023: £1,478,071) a slight decrease from the previous year.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

The net effect of the above has led to an overall operating surplus of £373,749 a considerable increase from last year (£21,366).

Balance Sheet

Overall reserves are £1,403,021 (2023: £1,029,580) with unrestricted reserves being £363,488 (2023: £340,118) after providing for the defined benefit pension liability of £3,734 (2023: £7,994).

Unrestricted reserves: £363,488 (2023: £340,118)

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

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

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

Restricted Reserves: £1,039,533 (2023: £689,462)

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

Reserves Policy

The Board of Trustees reviews the reserves policy annually and seeks to maintain a minimum balance of unrestricted reserves equivalent to six months of budgeted core net operating costs (including the uncovered pension deficit under FRS102). This equals £194,000 for this financial year.

Currently unrestricted reserves at the year-end are £367,223, less £3,734 set aside for the future pension liability repayments and £16,103 representing fixed assets, giving a net unrestricted free reserves figure of £347,386 a surplus of £153,386 over the minimum target unrestricted reserves figure of £194,000.

This substantial balance of unrestricted reserves will enable MVSC to manage future financial and operational risk in its growing programme of support and guidance to the third sector community within the LBM.

Unrestricted funds also need to be set aside for future major investment (e.g., systems and equipment and other infrastructure assets). There are no plans for making such investments at the date of this Trustees' Report. A designated fund of £26,000 has been received as management fees for the administration of Merton Giving.

To ensure the minimum impact on Reserves MVSC adopts the following principles in relation to ongoing project funding:

- Firstly, all annual Budgets only include estimates for grant income, whether for unrestricted or restricted purposes, if they are supported at minimum by a draft agreement with the funder.
 - When specific project funding ends the associated staffing expenditure and direct overheads incurred in running the project will also cease. There will be no call on unrestricted reserves.
 - In exceptional circumstances where Trustees expressly wish that activity is to continue and have a
-

reasonable expectation that new funds will be received, unrestricted reserves may be used to sustain posts for a limited period.

- An allowance for redundancy costs for all project staff are included in project funding budgets to avoid the need to fund redundancy costs from general reserves.

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

The Board of Trustees will continue to monitor the effectiveness of its Reserves Policy so that it remains relevant to its current and future position. However, because the Charity operates in a constantly changing environment the Trustees throughout the year regularly review the Charity's balances of reserves, together with cash flow levels to ensure prudent management of its funds.

Details of the various reserves and their movements are set out in more detail in Note 23, 24 and 25 on pages 33 to 36.

Cash Management

The Board of Trustees seeks to retain a prudent sum of cash in the Bank Current Account sufficient to cover two months gross income on unrestricted activities and one month's income on restricted activities. For 2023/24 this required an average balance £166,400. The excess over this sum was placed in a short-term investment account, which offered more security than a current account and a better rate of interest. Current account cash is managed to ensure availability to meet the short-term net budgeted expenditure needs and grant giving requirements.

Currently these excess funds are placed with Charity Offices Investment Fund (COIF) under their Charities Deposit Fund scheme. COIF is registered with the Financial Conduct Authority under the Financial Services and Markets Act 2000 (FSMA) and is an ethical investor. Aside from retaining a prudent amount in reserves each year, as a result of the increase in interest rates introduced by the Bank of England through 2022 and 2023, MVSC has received a significant amount of interest income which has been added to our unrestricted funds.

Grant making The Charity makes grants to a wide range of organisations who are either based in the LBM and neighbouring or adjoining areas or have strong relationships in these areas with a proven track record of benefitting residents. We are particularly keen to help grassroots community groups and small-to-medium-sized voluntary organisations. We would always consider a proposal that has the potential to achieve substantial impact in our community and furthers our charitable objectives.

All grant programmes are administered primarily through Merton Giving.

Trustee Responsibilities

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

Company law requires the Charity's Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied, they give a true and fair view of the state of affairs of the charitable company, and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
 - observe the methods and principles in the Charity SORP 2019 (FRS102);
 - make judgments and estimates that are reasonable and prudent;
 - prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.
-

MERTON VOLUNTARY SERVICE COUNCIL

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to Disclosure of Information to Auditor

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

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

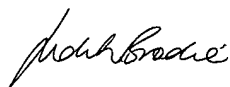
Auditor

Kingston Burrowes Audit Ltd was re-appointed as the charitable company's auditor during the year and have expressed their willingness to continue in that capacity.

Small Companies

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

Approved on behalf of the Board of Trustees on 17th December 2024



Judith Brodie, Chair



Nigel Lawson (Dec 18, 2024 05:47 GMT)

Nigel Lawson, Treasurer

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

FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of Merton Voluntary Service Council (the 'charitable company') for the year ended 31 March 2024, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

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

Conclusions relating to going concern

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.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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. 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 course of 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, which includes the directors' report prepared for the purposes of

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

FOR THE YEAR ENDED 31 MARCH 2024

company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the directors' report included within the trustees' 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 included within the trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit [; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Enquiry of management and those charged with governance about actual and potential litigation or claims and the identification of non-compliance with laws and regulations.
 - Reviewing minutes of meetings of those charged with governance.
 - Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
-

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

FOR THE YEAR ENDED 31 MARCH 2024

Auditing the risk of management override of controls, including testing journal entries and other adjustments for appropriateness; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Professional scepticism in course of the audit and with audit sampling in material audit areas.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: <https://shorturl.at/4UQzV>. This description forms part of our auditor's report.

Use of our report

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

K C Fisher

K C Fisher (Dec 18, 2024 10:24 GMT)

18/12/2024

Kevin Fisher BA FCA CTA (Senior Statutory Auditor)
For and on behalf of Kingston Burrowes Audit Ltd
308 Ewell Road
Surbiton
KT6 7AL

MERTON VOLUNTARY SERVICE COUNCIL

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	<i>note</i>	Unrestricted Funds 2024	Restricted Funds 2024	2024	2023
		£	£	£	£
Donations	2	744	2,078	2,822	4,877
Income from charitable activities	5	592,426	1,089,260	1,681,686	1,395,656
Grants and Contracts					
Other Trading activities					
Other Income	4	8,652	0	8,652	39,409
Investments	3	44,132	0	44,132	16,763
TOTAL INCOME		645,954	1,091,338	1,737,292	1,456,705
EXPENDITURE					
Expenditure on Charitable Activities	7	752,129	611,414	1,363,543	1,478,071
TOTAL RESOURCES EXPENDED		752,129	611,414	1,363,543	1,478,071
NET INCOME/EXPENDITURE		(106,175)	479,924	373,749	(21,366)
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit schemes	14	(308)		(308)	(23)
Transfer and repayment of funds	24	129,853	(129,853)	0	0
NET MOVEMENT IN FUNDS		23,370	350,071	373,441	(21,389)
FUND BALANCES BROUGHT FORWARD AT 1 APRIL 2023		340,118	689,462	1,029,580	1,050,969
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2024		363,488	1,039,533	1,403,021	1,029,580

All income and expenditure is derived from continuing activities.

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

The notes on pages 22 – 38 form part of these financial statements.

MERTON VOLUNTARY SERVICE COUNCIL

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

	<i>note</i>	2024	2023
		£	£
FIXED ASSETS			
Intangible assets	16	11,298	12,912
Tangible assets	17	4,805	-
CURRENT ASSETS			
Debtors	18	329,242	152,491
Cash at bank and in hand		1,179,619	1,410,494
		<u>1,508,861</u>	<u>1,562,985</u>
LIABILITIES			
CREDITORS - Amounts falling due within one year	19	(121,943)	(542,891)
NET CURRENT ASSETS		<u>1,386,918</u>	<u>1,020,094</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,403,021</u>	<u>1,033,006</u>
CREDITORS – Amounts falling due after more than one year			
PENSION LIABILITY	20	-	(3,426)
NET ASSETS		<u><u>1,403,021</u></u>	<u><u>1,029,580</u></u>
TOTAL FUNDS OF THE CHARITY			
Unrestricted Funds:	24	368,488	340,118
Restricted Funds	24	1,039,533	889,462
Total Funds		<u><u>1,403,021</u></u>	<u><u>1,029,580</u></u>

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

The notes on pages 22 – 38 form part of these financial statements

Approved by the Board of Trustees on 17th December 2024 and signed on its behalf by:



Judith Brodie, Chair



Nigel Lawson (Dec 18, 2024 05:47 GMT)

Nigel Lawson, Treasurer

MERTON VOLUNTARY SERVICE COUNCIL

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024**

Cash Flow	<i>note</i>	2024 £	2023 £
Net cash provided by/(used in) operating activities		<u>(270,171)</u>	<u>308,070</u>
Cash flows from investing activities			
Interest from Investments	3	44,132	16,763
Purchase of intangible assets		(4,836)	-
Net cash provided by/(used in) investing activities		<u>(230,875)</u>	<u>324,833</u>
Change in cash and cash equivalent			
Cash and cash equivalent at the start of the year		1,410,494	1,085,661
Cash and cash equivalent at the end of the year		1,179,619	1,410,494
Reconciliation of net movement in funds to net cash flow from operating activities			-
Net (expenditure)/income for the reporting period (as per the statement of financial activities)		373,441	(21,389)
Adjustments for:			
Add back depreciation charge	16/17	1,645	1,614
Interest from investments	3	(44,132)	(16,763)
Decrease (increase) in debtors		(176,751)	202,107
(Decrease)/Increase in creditors		(424,374)	(4,545)
Net cash used in operating activities		<u>(270,171)</u>	<u>308,070</u>
Analysis of cash and cash equivalents	<i>note</i>	2024 £	2023 £
Bank and cash in hand		1,179,619	1,410,494
Total cash and cash equivalents		<u>1,179,619</u>	<u>1,410,494</u>

The notes on pages 22 – 38 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. ACCOUNTING POLICIES

Company status

Merton Voluntary Service Council is a charitable company limited by guarantee and registered in England and Wales. The registered office and company registration number are detailed on page 3.

Basis of preparation

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

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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

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

Preparation of the accounts on a going concern basis

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The Trustees have made this assessment considering the Charity's unrestricted free reserves, secured funding going forward and current and planned activities.

Income

All income is recognised in the Statement of Financial Activities when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably. Income received in advance of a project or other specified service is deferred until the criteria for income recognition are met (see Note 21.).

Expenditure and irrecoverable VAT

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

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

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP 2019 (FRS 102), the general volunteer time contributed is not recognised and refer to the Trustees' annual report for more information about their contribution.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES *continued*

Allocation of support costs

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

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

Pension costs and other post-retirement benefits

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

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

Interest receivable

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

Fund accounting

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

Corporation Taxation

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

Intangible fixed assets

Intangible fixed assets include the development of a new website and database. The estimated useful years and amortisation method of the intangible assets are calculated on a straight-line basis as follows:

Asset Category	Annual Rate
Website	10% on cost
Database	10% on cost

Tangible fixed assets

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

Asset Category	Annual Rate
Computer and office equipment	33% on cost

Debtors

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

Cash at bank in hand

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. ACCOUNTING POLICIES *continued***Creditors and provisions**

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

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

Operating leases

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

2. INCOME FROM DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	<u>2,822</u>	<u>4,877</u>

Income from donations was £2,822 (2023: £4,877) of which £744 was unrestricted (2023: £495) and £2,078 was restricted (2023: £4,382).

3. INVESTMENT INCOME

	2024	2023
	£	£
Interest received	<u>44,132</u>	<u>16,763</u>

All of the Charity's investment income arises from money held in interest bearing deposit accounts and is unrestricted.

4. INCOME EARNED FROM OTHER ACTIVITIES

	2024	2023
	£	£
Service Income	3,430	33,042
Other income	<u>5,222</u>	<u>6,367</u>
	<u>8,652</u>	<u>39,409</u>

Income earned from other activities was £8,652(2023: £39,409) all being unrestricted income.

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. INCOME FROM CHARITABLE ACTIVITIES

Grants and contracts received are as follows:

	2024	2023
	£	£
Unrestricted		
Comm Hub Jigsaw Model Research Project	-	6,708
Community Links Bromley	-	9,382
Croydon Voluntary Action	-	10,000
Healthwatch Sutton	-	3,000
LBM (Transactional Services Team)	-	7,986
City Bridge Trust	-	5,726
Canon House	15,234	-
LBM - Notional Rent	37,949	37,949
LBM - Strategic Partner Fund Contract	-	175,000
LBM - Volunteering in Libraries Contract	17,500	17,500
LBM - Lunch club	-	24,800
LBM - Vaccine Champions fund	-	50,000
London Ambulance Service Engagement	-	5,000
Merton Clinical Commissioning Group – Social Prescribing Contract	518,323	475,378
Others	3,420	2,349
	<u>592,426</u>	<u>830,778</u>
Restricted – Project based		
Core20 Plus Connector's Programme	-	-
City Bridge Trust Merton Giving Grant	61,100	56,500
GLA – Young Londoners Fund Local Networks Grant	-	30,900
LBM - Community Accountancy and Merton Giving Support	24,775	74,325
LBM – Healthwatch Grant	130,500	125,000
LBM – Transforming Communities	37,500	-
Wimbledon Foundation Grant	20,500	-
LBM – Civic Pride	207,113	-
LBM - Community Hub Jigsaw	6,708	33,538
Propel – Motivate Merton	383,576	-
CCG Capacity Building Fund	62,637	26,615
	<u>934,409</u>	<u>346,878</u>
Restricted - Grants for third parties		
Clarion Futures	-	17,000
LBM – Merton Partnership Community Giving Grants	135,130	121,000
Moat Homes Limited	-	5,000
Wimbledon Foundation	0	25,000
LBM - Inequalities	19,722	50,000
	<u>154,852</u>	<u>218,000</u>
Total Restricted	<u>1,089,261</u>	<u>564,878</u>
Total Income from Charitable Activities	<u><u>1,681,687</u></u>	<u><u>1,395,656</u></u>

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

5. INCOME FROM CHARITABLE ACTIVITIES *continued*

MVSC manages a range of grant funds on behalf of the public sector, including holding and distributing funds. The total of these grant funds is recognised in restricted income, shown above, however it is worthwhile noting that these funds are not used in direct charitable expenditure rather given to organisations as grants. During this year the total of this income was £154,852 (2023 £218,000).

6. ANALYSIS OF EPENDITURE ON CHARITABLE ACTIVITIES

	Direct Charitable Expenditure	Support Costs	Total Charitable Expenditure	Total
	2024	2024	2024	2023
	£	£	£	£
General Activities	585,633	166,496	752,129	780,811
City Bridge Trust - Merton Giving	85,331	-	85,331	54,318
CCG Capacity Building Fund	5,000	-	5,000	26,615
Comm Hub Jigsaw Model Research Year Project	-	-	-	8,333
Greater London Authority - Young Londoners	49	-	49	38,537
LBM - Civic Pride	145,864	-	145,864	-
LBM - Community Accountancy Support	327	-	327	23,709
LBM - Healthwatch	105,913	-	105,913	123,722
LBM - Transforming communities capacity funding	-	-	-	7,369
Motivate Merton	192,434	-	192,434	-
Merton EMHIP Inequalities Project	1,591	-	1,591	507
Social Prescribing Contract	-	-	-	7,455
Sutton and Merton CCGs' Charitable Funds	-	-	-	236,361
Big Lottery	-	-	-	-
Merton Giving Grant Distribution Fund	66,856	-	66,856	170,334
Wimbledon Foundation - Step Up	8,048	-	8,048	-
	1,197,046	166,496	1,363,542	1,478,071

7. DIRECT CHARITABLE EXPENDITURE

	2024	2023
	£	£
Grants given (Note 7.1)	267,270	433,017
Staff and related costs	710,649	699,502
Direct Project costs	108,340	100,860
Premises and hall hire costs	38,093	42,610
Office costs	61,794	55,787
Professional fees and other costs	10,901	47,440
	1,197,047	1,349,216

MERTON VOLUNTARY SERVICE COUNCIL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024****7.1 GRANTS GIVEN**

The following institutions were given cumulative grants in the year:

Grants Given	2024	2023
	£	£
Accoutre Centre for Learning CIC	2,500	-
AFC Wimbledon Foundation	37,055	-
Age UK Merton	-	10,000
Ashdon Jazz Academy	12,300	-
Association for the Polish Family	-	12,000
ATS Creative Academy CIC	8,943	10,000
Attic Theatre Company (London) Limited	2,500	-
Bame Voice	-	78,000
Bgs of Taste Ltd	-	10,000
CARAS	-	9,877
Carers Support Merton	-	10,000
Combination Dance	-	9,522
Commonside	-	7,096
Commonside Community Development Trust	2,500	9,454
Community Drugs & Alcohol Recovery Services	-	9,853
CroydonPlus Credit Union	-	10,000
Duffus Cancer Foundation (DCF)	-	10,000
Ethnic Minority Centre.	4,994	7,015
Fayre n Square CIC	2,500	-
Filmanthropy CIC	12,300	-
Five Aside Theatre	2,500	7,980
Focus 4 1	2,514	6,788
Free2B Alliance CIC	-	-
FROG Learning CIC	2,500	7,370
Ghanaian Parents Association CIC	2,500	-
Graphite & Diamond Ltd	2,500	12,275
Hestia Housing and Support	-	10,000
InCommon Foundation	-	10,000
Inner Strength Network CIC	23,000	-
Jigsaw4U (g)	-	10,000
Lantern Arts Centre	-	10,000
Learn English Together in Merton CIO	1,910	-
Learning Keys CIC	1,905	-
London Borough of Merton	6,480	-
Maggies at the Royal Marsden	-	10,000
Maroon Solis CIC	2,800	10,000

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

May Projects Garden CIC	-	10,000
Merton Centre for Independent Living.	-	9,650
Merton Community Transport	-	10,000
Merton Goan Senior Citizens Association	2,500	-
Merton Mencap	2,500	-
Merton Somali Community (MESCO)	-	9,945
Mitcham Arts Collective CIC	2,482	
Mitcham Town Community Trust	28,700	-
Somali Community CIC	2,500	
Sherwood Park Hall CIC	2,500	-
South London Tamil Welfare Group		10,000
South Mitcham Community Association		9,840
South West Law Centre		7,744
South West London Law Centres	5,000	20,000
South West Runs	2,500	
Studio Upstairs		5,000
Sustainable Merton	2,500	17,021
Sutton African and Caribbean Cultural Organisation		4,984
The Nerve of my Multiple Sclerosis	2,500	
Tooting and Mitcham Community Sports Club Ltd	49,255	
Unique Talent CIC	20,267	8,143
Ukrainian Refugee Help CIO	2,365	
Veterans Community Choir CIC	2,500	
Wimbledon Guild	2,500	3,460
Women Arise Ministries	2,500	10,000
	267,270	433,017

8. SUPPORT COSTS

	2024	2023
	£	£
Staff and related costs	105,954	66,012
Premises and hall hire costs	15,091	6,173
Office costs	18,775	41,498
Professional fees and other costs	10,476	10,808
Governance costs (Note 9)	16,200	4,364
	166,496	128,855

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**9. GOVERNANCE COSTS**

	2024	2023
	£	£
Audit fees	5,000	4,261
Committee & Strategic Planning costs	11,200	102
	<u>16,200</u>	<u>4,364</u>

10. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):	2024	2023
	£	£
Audit fees	5,000	4,261
Operating lease rentals	17,440	41,857
Amortisation and depreciation	1,645	1,614

11. STAFF COSTS

	2024	2023
	£	£
Wages and Salaries	628,083	615,068
Social security costs	55,460	55,128
Pension costs	36,530	30,596
	<u>720,073</u>	<u>700,792</u>

One employee had total employee benefits (excluding employer pension costs) (2023 nil) in excess of £75,000. Pension costs are allocated to activities in proportion to the related staffing costs incurred.

The Charity Trustees were not paid or received any other benefits from employment with the Charity in the year (2023 £nil) neither were they reimbursed expenses during the year (2023: £nil). No Charity trustee received payment for professional or other services supplied to the Charity (2023: £nil).

The key management personnel of the Charity are detailed on page 5 of the accounts.

The total employee remuneration of the key management personnel (Trustees and CEO) of the Charity was £82,945 (2023: £46,375. Under FRS 102, total employee benefits include gross pay, benefits in kind, employer's national insurance contributions and employers pension costs.

12. STAFF NUMBERS

The average monthly number of employees (including casual and part time staff) during the year was as follows:

	2024	2023
	Numbers	Numbers
Senior Management Team	5	4
Other Direct Charitable Staff	17	18
	<u>22</u>	<u>22</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**
13. TRANSACTIONS AND RELATED PARTIES

There were no related party transactions during the year or the previous year, other than the remuneration of key management personnel set out in Note 11.

14. PENSION COSTS

The charitable company has a defined contribution pension scheme, which all employees are entitled to join. Previously, the charitable company operated a defined benefit scheme, which is now closed to new members. This is a multi-employer scheme operated by TPT Retirement Solutions and, whilst it is not possible to estimate the share of the assets and liabilities of the scheme attributable to Merton Voluntary Service Council, TPT Retirement Solutions has estimated that the employers' debt on withdrawal liability at the most recent annual funding update of 30 September 2023 would have been £44,126 (30 September 2022: £60,260).

Please note a full actuarial valuation for the scheme was carried out on 30 September 2020. This valuation showed asset of £800.3m, liabilities of £831.9m and a deficit of £31.6M.

The Trustees of TPT Retirement Solutions, following advice from the Actuary, have now implemented a recovery plan. Under the new plan, the total deficit contributions due from employers will reduce from 1 April 2022 and each employer's share of the new amount will continue to be based on its own percentage share of the Plan's liabilities. The deficit contributions will be £3.312m per annum from 1 April 2022. No annual increase will be applied to these contributions and the recovery plan will remain unchanged, with an end date of 31 January 2025.

The Charity's Trustees consider that it is unlikely that any liability will crystallise in relation to this in the foreseeable future. Under FRS102, provision is required for the net present value of any agreed deficit recovery plan contributions relating to the Plan.

During the year ended 31 March 2024 payments have continued to be made in accordance with this plan and the provision for the net present value of deficit contributions was £3,734 (2023 £7,994)

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

	2024	2023
	£	£
Net interest from net defined asset/liability	305	237
	<u>305</u>	<u>237</u>

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

	2024	2023
	£	£
Defined benefit obligation	(7,994)	(12,539)
Contribution by scheme participants	4,568	4,568
Interest Cost	(305)	(237)
Re-measurement from changes in financial assumptions	(3)	214
Re-measurement from amendments to the contribution scheme	-	-
	<u>(3,734)</u>	<u>(7,994)</u>

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

14. PENSION COSTS *continued*

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

	2024	2023
	£	£
Actuarial /(losses)/gains from changes in financial assumptions	(308)	(23)
	<u>(308)</u>	<u>(23)</u>
	2024	2023
	£	£
Discount rate	5.31%	5.52%

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

15. CORPORATION TAX

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

16. INTANGIBLE FIXED ASSETS

	Website 2024	Database 2024	Total 2024
	£	£	£
COST			
At 1 April 2023	10,200	5,940	16,140
Additions	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2024	<u>10,200</u>	<u>5,940</u>	<u>16,140</u>
AMORTISATION			
At 1 April 2023	2,040	1,188	3,228
Charge for year	<u>1,020</u>	<u>594</u>	<u>1,614</u>
At 31 March 2024	<u>3,060</u>	<u>1,782</u>	<u>4,842</u>
NET BOOK VALUE			
At 31 March 2024	<u>7,140</u>	<u>4,150</u>	<u>11,298</u>
At 31 March 2023	<u>8,160</u>	<u>4,752</u>	<u>12,912</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

17. TANGIBLE FIXED ASSETS

	Computer and Office Equipment 2024	Total 2024
COST	£	£
At 1 April 2023	27,700	27,700
Additions	4,836	4,836
Disposal	-	-
At 31 March 2024	<u>32,536</u>	<u>32,536</u>
ACCUMULATED DEPRECIATION		
At 01 April 2023	27,700	27,700
Charge for the year	31	31
Disposal	-	-
At 31 March 2024	<u>27,731</u>	<u>27,731</u>
NET BOOK VALUE		
At 31 March 2024	<u>4,805</u>	<u>4,805</u>
At 31 March 2023	<u>-</u>	<u>-</u>

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	123,256	80,946
Other Debtors	2,133	-
Accrued Income	128,672	45,267
Prepayments	75,181	26,278
	<u>329,242</u>	<u>152,491</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	56,213	150,771
Funds held on behalf of other organisations	18,826	75,934
Other creditors	602	1,112
Accrued expenses	2,969	39,001
Deferred income	-	255,865
Pension Contributions	9,577	-
Credit Union	300	-
Grant Holding Account	12,538	-
Pensions	3,734	4,568
Taxation and social security	17,184	15,640
	<u>121,943</u>	<u>542,891</u>

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

20. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2024	2023
	£	£
Pension liabilities	-	3,426

21. DEFERRED INCOME

	Balance Brought Forward	Amounts released from previous year	Income deferred in the current year	Balance Carried Forward
	£	£	£	£
Deferred Income	255,865	(255,865)	-	255,865

22. OPERATING LEASE COMMITMENTS

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

	2024	2023
	£	£
Expiring:		
Within one year	17,440	41,857
Between one and five years		17,440
More than five years	-	-
	17,440	59,297

The above commitments include service charges as well as rent.

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year information for the net assets between funds:

	Unrestricted Funds			Restricted funds	2024
	General Funds	Designated Funds	Pension Funds		Total Funds
	£	£	£	£	£
Fixed assets	16,103	-	-	-	16,103
Current assets		26,000	-		26,000
Current liabilities	-	-	-	-	
Pension liability < 1 year	-	-	3,734	-	3,734
Pension liability > 1 year	-	-		-	
	16,103	26,000	3,734		45,837

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**
23. ANALYSIS OF NET ASSETS BETWEEN FUNDS *continued*

Comparative year information for the net assets between funds:

	Unrestricted funds			Restricted funds	2023
	General Funds	Designated Funds	Pension Funds		Total Funds
	£	£	£	£	£
Fixed assets	12,912	-	-	-	12,912
Current assets	696,455	26,000	-	840,534	1,562,985
Current liabilities	(387,255)	-	-	(151,068)	(538,323)
Pension liability < 1 year	-	-	(4,568)	-	(4,568)
Pension liability ≥ 1 year	-	-	(3,426)	-	(3,426)
	322,112	26,000	(7,994)	689,462	1,029,580

24. MOVEMENT IN FUNDS

Unrestricted Funds	Balance at 01/04/2023	Incoming Resources	Outgoing Resources	Transfers between funds	Gains & losses	Balance at 31/03/2024
	£	£	£	£	£	£
General Fund	322,112	645,954	(752,129)	125,285	-	341,222
Designated Fund	26,000	-	-	-	-	26,000
Pension Fund	(7,994)	-	-	4,568	(308)	(3,734)
Total Unrestricted Funds	340,118	645,954	(752,129)	129,853	(308)	363,488
Restricted Funds						
City Bridge Trust - Merton Giving	4,244	61,100	(85,331)	19,987	-	-
CCG Capacity Building Fund	-	62,637	(5,000)	-	-	57,637
Comm Hub Jigsaw Model Research Year Project	25,205	6,708	-	-	-	31,913
Greater London Authority - Young Londoners	-	-	-	-	-	-
LBM - Community Accountancy Support	55,049	24,775	(327)	-	-	79,497
LBM - Healthwatch	12,873	130,500	(105,913)	-	-	37,460
LBM - Transforming communities capacity funding	-	37,500	-	-	-	37,500
Merton EMHIP Inequalities Project	-	19,722	(1,591)	(13,131)	-	5,000
Propel	-	383,576	(192,434)	(64,010)	-	127,132
Sutton and Merton CCGs' Charitable Funds	488,306	-	-	-	-	488,366
LBM Civic Pride	-	207,113	(145,864)	(52,712)	-	8,537
Young Londoner's Fund	-	-	(49)	-	-	(49)
Core Connectors	-	-	-	-	-	-
Merton Giving Grant Distribution Fund	98,644	137,208	(66,856)	(19,987)	-	149,009
Wimbledon Foundation – Merton Start Up	5,141	20,500	(8,048)	-	-	17,593
	689,462	1,091,339	(611,413)	(129,853)	-	1,039,535
TOTAL FUNDS	1,029,580	1,737,293	(1,363,542)	-	(308)	1,403,023

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

24. MOVEMENT IN FUNDS *continued*

Comparative year information for movement in funds:

Unrestricted Funds	Balance at 01/04/2022	Incoming Resources	Outgoing Resources	Transfers between funds	Gains & losses	Balance at 31/03/2023
	£	£	£	£	£	£
General Fund	255,396	885,971	(780,811)	(38,444)	-	322,112
Designated Fund	-	-	-	26,000	-	26,000
Pension Fund	(12,539)	-	-	4,568	(23)	(7,994)
Total Unrestricted Funds	242,857	885,971	(780,811)	(7,876)	(23)	340,118
Restricted Funds						
City Bridge Trust - Merton Giving	2,062	56,500	(54,318)	-	-	4,244
CCG Capacity Building Fund	-	26,615	(26,615)	-	-	-
Comm Hub Jigsaw Model Research Year Project	-	33,538	(8,333)	-	-	25,205
Greater London Authority - Young Londoners	7,637	30,900	(38,537)	-	-	-
LBM - Community Accountancy Support	4,433	74,325	(23,709)	-	-	55,049
LBM - Healthwatch	10,616	125,979	(123,722)	-	-	12,873
LBM - Transforming communities capacity funding	-	-	(7,369)	7,369	-	-
Merton EMHIP Inequalities Project	-	-	(507)	507	-	-
Social Prescribing Contract	7,455	-	(7,455)	-	-	-
Sutton and Merton CCGs' Charitable Funds	724,667	-	(236,361)	-	-	488,306
Merton Giving Grant Distribution Fund	46,101	222,877	(170,334)	-	-	98,644
Wimbledon Foundation – Merton Start Up	5,141	-	-	-	-	5,141
	808,112	570,734	(697,260)	7,876	-	689,462
TOTAL FUNDS	1,050,969	1,456,705	1,478,071	-	(23)	1,029,580

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

25. FUNDS

RESTRICTED FUNDS

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

Name of restricted fund	Description, nature, and purposes of the fund
Capacity Building – Trust for London	To enhance the knowledge and skills of local BAME organisations with regards to housing, planning and regeneration issues, enabling them to better support their members and BAME residents to present and campaign on the issues that affect them. The underspend on this fund was used to continue the project work which was delayed by the pandemic.
City Bridge Trust – Merton Giving	This element of the City Bridge Trust funding provides funding to both MVSC and Merton Chamber of Commerce to jointly generate income and arrange subsequent grant funding rounds through the Merton Giving Fund. The funding targets and outcomes have been over-achieved as a result of the continued activity of the Merton Giving Coronavirus Fund and its successors.
Greater London Authority – Young Londoner Network Project	YLF Network project is a three-year programme supported by the Mayor of Londoners fund, aimed at building the capacity and quality of Voluntary Sector youth provision across the South West London sub-region. Through training, peer support, partnership, and collaboration the programme seeks to ensure Young People across the sub-region have a variety of good quality activities and projects to participate in that will help them to achieve and develop into well balanced, civically active, adults. This project has been extended to 31 December 2022 by the funder.
LBM – Community Accounting Support	As part of the work done within the Merton Giving team, we have also supported organisations with community accountancy during the application process.
LBM - Healthwatch	Healthwatch is the consumer champion for health and social care services in LBM.
LBM – Your Merton Engagement	The London Borough of Merton undertook an extensive programme of engagement with citizens, partners, businesses, and local VCS organisations to help develop a new long-term vision for the borough. Part of this programme was to ask VCS organisations to undertake engagement with their users, members, and volunteers. Small grants were made available for VCS organisations who will be facilitating Your Merton engagement, and this was managed by MVSC.

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

25. FUNDS *continued*

LBM – Transforming Capacity
Funding

Merton EMHIP Inequality Project

Merton Giving Grant Distribution
Fund

Current year grant funding was received from LBM and The National Lottery Community Fund, along with donations from other charitable trusts, public donations, and fundraising events. This funding was then used to support local organisations in the borough in the way of grants through the Merton Giving scheme.

Social Prescribing Project

Merton Council and Merton CCG provided MVSC with funding to run a project, which connected patients at three East Merton GP practices with services in the community provided by voluntary organisations. Grant funding ended in September 2019 and a new expanded social prescribing contract was negotiated with the CCG from October 2019. The remaining balance on the 2019 fund will be used for future work within Social Prescribing in the borough.

Sutton and Merton CCG - MVSC
2025 fund

These funds were transferred to MVSC in February and March 2020 from an 'umbrella' charity managed by the Sutton and Merton CCGs. The transferred funds will be managed by MVSC and channelled through Merton Giving as grants to voluntary organisations and other not-for-profit bodies within the Borough of Merton to provide services with a focus on supporting residents and patients accessing local health and wellbeing services. MVSC will be promoting the development of social prescribing services throughout the borough and undertaking other activities, taking advice from the local PCN.

Wimbledon Foundation – Merton
Step-Up

The Merton Step-up programme was conceived as a natural progression to the Merton Skill-up project (a capacity building project funded by Wimbledon Foundation for a three-year period). Its aim is to provide a coherent and structured framework to support organisations evolution and ratify that they have met at least a foundation level of quality in terms of organisational governance and service delivery. The pilot programme has been used to respond to inequalities exposed by the pandemic, engaging with small local organisations who have either themselves been disproportionately affected by the pandemic and/or whose beneficiaries have been so (these include three local community centres, two of who are new and the third is undertaking a fundamental review of their organisation).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

26. CAPITAL COMMITMENTS

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

27. CONTINGENT ASSETS

Total grant funding awarded as at 31 March 2024 but not yet received and recognised as income due to the recognition criteria not being met amounts to £0 (2023: £290,997).

Funds

	2024	2023
	£	£
Cornerstone	-	
City Bridge Trust		92,000
Wimbledon Guild of Social Welfare	-	
Wimbledon Foundation Grant		100,000
	<u>-</u>	<u>192,000</u>

28. LEGAL STATUS OF THE CHARITY

Merton Voluntary Service Council is a registered charity (charity number 1085867) and private company (Company No: 04164949) incorporated in Great Britain and registered in England and Wales. The company is limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is given in the Legal and Administrative Information on page 3.

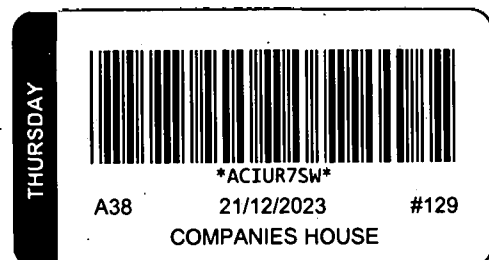
Accounts

REGISTERED COMPANY NUMBER: 04164949
REGISTERED CHARITY NUMBER: 1085867

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023**

FOR

MERTON VOLUNTARY SERVICE COUNCIL



MERTON VOLUNTARY SERVICE COUNCIL

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

	Page
Legal and administrative information	3
Report of the Trustees	4 to 16
Report of the Independent Auditor to the Members	17 to 19
Statement of Financial Activities	20
Balance Sheet	21
Statement of Cash Flows	22
Notes to the Financial Statements	23 to 40
Detailed Income and Expenditure Account (This page does not form part of the statutory accounts)	41

MERTON VOLUNTARY SERVICE COUNCIL

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

	Page
Legal and administrative information	3
Report of the Trustees	4 to 16
Report of the Independent Auditor to the Members	17 to 19
Statement of Financial Activities	20
Balance Sheet	21
Statement of Cash Flows	22
Notes to the Financial Statements	23 to 40
Detailed Income and Expenditure Account (This page does not form part of the statutory accounts)	41

MERTON VOLUNTARY SERVICE COUNCIL

**LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 MARCH 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
04164949 (England and Wales)

Registered Charity number
1085867

Trading Name
Merton Connected

Registered office
The Vestry Hall
London Road
Mitcham
Surrey
CR4 3UD

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

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

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

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

The Trustees (who are also directors of the charitable company for the purposes of the Companies Act 2006) are pleased to present their annual Trustees' Report, together with the audited financial statements for the year ending 31 March 2023, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and UK Generally Accepted Accounting Practice.

MVSC's MISSION

To inspire and develop an excellent voluntary and community sector in the London Borough of Merton (LBM).

MVSC's Objects are:

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

PRINCIPAL ACTIVITY

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

Public Benefit

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

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

MVSC is a registered charity and company limited by guarantee. MVSC has ensured effective governance throughout the year, following all provisions and procedures in its Memorandum and Articles of Association. MVSC also trades under the name Merton Connected (MC).

Membership of MVSC is open to local voluntary, community, and faith organisations, which meet the criteria for membership.

Appointment of new Trustees

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

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

Trustee recruitment and induction

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

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

All Trustees give their time voluntarily and receive no benefits from the Charity apart from reimbursed expenses set out in Note 11. in the accounts. The Trustees serving during the year and to the date of this report were as follows: -

Brian Dillon	Chair and Secretary (from 1 October 2022)
Asha Newsum	
Kate Wignall	
Jennifer Goddard	
Benjamin Brian Wilkins	Retired 31 March 2023
Wendy Jane Pridmore	
Annie Rebeca Wilson	Retired 31 March 2023

Management of MVSC

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

Senior Management Team

Tony Molloy	Chief Executive Officer appointed 28 th February 2023.
Simon Shimmens	Chief Executive Officer resigned 30 th September 2022.
Adwoa Fadahunsi	Head of Development and Volunteering**
Dave Curtis	Head of Healthwatch Merton**
Ben Halschka	Head of Social Prescribing**
Andrea Kibble	Interim Head of Finance until 30 April 2023.
** Joint Acting Chief Executive Officers from 1st October 2022 until 31st March 20	

Pay policy for the Senior Management Team

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

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

Related parties and co-operation with other organisations

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

Use of volunteers

One of the aims of the Charity is to match expressions of interest in volunteering to volunteer opportunities offered, with a focus on providing additional capacity to local voluntary and community organisations. MVSC continues to provide Home Visit Libraries volunteers under contract to the LBM and is grateful for the support of the many volunteers who support local organisations and MVSC itself.

AIMS

Over the past year, during a period of additional demand due to the cost-of-living crisis, post-pandemic pressures on the health service and funders requiring higher levels of services with limited increase in resources, MVSC has continued to inspire, support, and develop the voluntary and community sector in the LBM to enrich the lives of residents of the borough.

Our key aims for the year were to modify as necessary and continue existing key aims, including to:

- Recognise the long-term impact of the pandemic and forge greater collaborative links with strategic partners to provide services with a focus on supporting pandemic related needs (such as long covid) of residents and voluntary, community and faith organisations.
- Continue to provide support to existing organisations and help create new voluntary sector organisations to strengthen and build capacity in LBM's voluntary, community and faith sector for the benefit of the residents they serve.
- Work with the Merton Chamber of Commerce and donors including Wimbledon Foundation, Clarion Futures, MOAT housing, LBM, Clinical Commissioning Groups (CCG) and the National Lottery Community Fund (NLCF) to administer funds through Merton Giving (MG).
- Continue successful delivery of Social Prescribing in line with the Social Prescribing contract, supporting all 22 GP practices across all 6 Primary Care Networks (PCNs) in the borough.
- Contributed to transition and establishment of the Integrated Care System (ICS) structure at borough and South West London (SWL) level. (The ICS formally replaced CCG on 1 July 2022). This presents a new way of working for the voluntary sector which is still being navigated.
- Progress the delivery of practical steps to open the Wellbeing Hub at the Wilson Hospital for the successful launch April 2023, in partnership with the Steering Group, the CCG and Public Health team at LBM
- Ensure Healthwatch Merton remains a relevant consumer health champion, identifying good practice, opportunities, and challenges within LBM.

STRATEGIC DIRECTION

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

Trustee Board

The end of the financial year 2022/23 saw the resignation of a further two of our dedicated trustees. We have therefore identified reviewing and strengthening our Board of Trustees as a priority for the forthcoming year.

Wilson Wellbeing Initiative

Funding has been secured by the CCG to support the active development of wellbeing activities through to the end of 2023, this presents additional support for residents and voluntary groups to deliver activities within the Mitcham area.

Social Prescribing

MVSC were successful in being awarded a year 3 contract in October 2021 for the team of 10 Social Prescribers supporting the 22 GP surgeries in the borough. The dedicated team continue to exceed the targets and requirements of the contract. In addition, this year has seen us extend our services with an innovated pilot programme of providing Social Prescribing services to patients attending the Pain Management Clinic at St Helier Hospital. Supported by the LBM, a programme of Green Social Prescribing has also been rolled out during 2022, pioneering outdoor based activities, to further develop the breadth of options to residents receiving support.

Merton Giving Fund

There were two successful rounds of grant giving since April 2022 to support organisations as they recover from the pandemic and face the new challenges presented by the Cost-of-Living Crisis.

ACHIEVEMENT AND PERFORMANCE

This section provides highlights from the annual review of MVSC's work and forms part of the annual financial statement.

CONTRACTED CORE SERVICES

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

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

- Using the reach of our website and regular e-bulletin which has a distribution of 680 people, to ensure voluntary and community sector organisations are kept up to date with local news, funding, and volunteering opportunities. Feedback from stakeholders we undertook a review of our newsletter and social media offering and subsequently changed its format to ensure it meets the need of our sector.
- Provision of over an estimated 1380 hours of one-to-one support sessions to local voluntary, community, and faith sector organisations on a variety of topics including, governance, safeguarding, income generation and ever more with the cost-of-living crisis.
- MVSC, supported organisations to achieve over **£960,130** of funding from a range of funders, excluding any additional funds via MG bringing additional services and income into the borough. MVSC also supported organisations with applications to the borough's holiday activities and food clubs (HAF Funding) where local organisations were awarded in total over **£273,000** to provide a variety of holiday activities and food programmes during the principal school holidays – Easter, Summer, and Christmas, important now more than ever with the cost-of-living crisis.
- Volunteering support with over 574 residents registering an interest in volunteering by signing up to our volunteering database. We sought to keep existing and potential volunteers informed by producing regular bulletins, as well as utilising our social media channels and outreach events to recruit to specific roles.

Supporting volunteering and community action through building social capital by supporting, developing, and recognising the work of local organisations:

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

- We were pleased to support 5 new organisations with their registration with regulatory bodies, either the Charities Commission or Companies House.
- 12 organisations have undergone comprehensive organisational health checks and received intensive 1-2-1 sessions over an extended period. This includes 8 organisations piloting the Merton Step-Up Quality Assurance Award funded by Wimbledon Foundation. Support has included, strategic and financial governance (legal compliance), policy development, business planning, service delivery, income generation, monitoring & evaluation.
- Coordinating 9 training workshops and CPD events for the sector. Introduction to safeguarding, Paediatric First Aid, Overview of DBS Policy & Procedure, Volunteers & The Law, Assets Based Community Development for Core Connectors, Introduction to Volunteering; your rights, roles, and responsibilities; Bystander training; Paediatric First Aid, Wimbledon Foundation meet the Funder workshop because of this they had a 60% increase in the number of applications they received.

Identifying changing and emerging need and respond with expertise and influence:

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

- Working with LBM and health colleagues from the newly formed ICS to support several initiatives to engage even more successfully with communities and individuals to improve understanding and engagement with proactive health initiatives. These include; Community Champions, Safeguarding Champions, Vaccination Champions, ICON, preventative screening, Core 20 Connectors and Health on the High Street, which have contributed to raising awareness of amongst residents who traditionally experience poorer health outcomes.
- Contributing and influencing policy at regional, sub-regional and borough level, across the wider health and social care agenda, representing the views and amplifying the voice of the sector, by senior team member presence on key local and regional boards, such as; ICS transition working group the Merton Health and Care Together Board, Safer Merton Partnership, Children Trust and Merton Safeguarding Children Partnership, Health and Wellbeing Board, Safer Neighbourhood Board, Merton Safeguarding Adult Board and VAWAG Board.

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

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

- CEO membership of the transition team for the ICS that replaced the CCG in July 2022. Continuing to work sub-regionally with the 5 other CVS organisations across the London Boroughs of Croydon, Sutton, Kingston, Wandsworth, and Richmond in South West London (SWL) to highlight health inequalities and promote the idea of co-production (between the voluntary and statutory sectors) as an effective mechanism for addressing these societal issues, sub-regionally, as well as at Borough and neighbourhood level. Leading on the development of the Merton Ethnic Minority Health Improvement Programme EMHIP from the SW Mental Health Trust.
- Supporting partnership and collaborative working between voluntary and public sector organisations. For example, taking a lead role in the Lunch Club/Community Café initiative and how it links to wider food provision at borough level.

CONTRACTED SOCIAL PRESCRIBING SERVICES

MVSC has been delivering and developing the Social Prescribing (SP) model since 2017. Highlights include:

Data Collection The Merton Social Prescribing team is using the Elemental software to collect and to store data safely. Elemental has been interfaced with EMIS; the software used within Primary Care in LBM. Our team has been clinically evaluated by Oxford University in 2022 and we are one of the most digital mature SP services in the UK. Our data is shared monthly with the ICB and PCN and quarterly with the ICS.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

ONS Wellbeing Tool

The SP team has been using the wellbeing tool of the Office for National Statistics since January 2020. The ONS Wellbeing outcomes for SP patients are as follows.

ONS Wellbeing outcomes, Apr 2022 – Mar 2023

74% of PTs have experienced positive changes

15% of PTs have experienced no changes

9% of PTs have experienced negative changes

Appointments Delivered

The main KPI for our contract delivery is KPI 1.4 "Working with Primary Care to achieve 80% service utilisation rate". The team has been overperforming since April 2020 and all KPIs have always been met far beyond the contractual expectations.

Apr 83%	Jul 112%	Oct 92%	Jan 102%
May 117%	Aug 100%	Nov 89%	Feb 95%
Jun 115%	Sep 86%	Dec 70%	Mar 106%

The annual average utilisation rate for last financial year is 97%.

Number of New Referrals Received

The SP team has received 3502 new referrals between April 2022 and March 2023. In comparison, the team received 2615 new referrals during previous financial year. The main reasons for referrals during the last financial year have been for Mental Health, Loneliness and Isolation, Housing and Financial Advice and Support for Carers.

CONTRACTED HOME VISITS LIBRARY SERVICE

We continued to run a home visits library service throughout LBM where volunteers select and deliver library books to those who are unable to visit the library.

- 13 volunteers have supported **83** housebound residents, investing over **680** estimated volunteer hours to deliver **996** deliveries, including bulk deliveries to local care homes, to ensure their residents are also able to continue to access a library service.
- A quote from a beneficiary of the service "It's a great service and it is lovely having books delivered to your door every month. I have lost a lot of my friends and family, reading takes me out and puts me in another world, especially if I am having a blue day, **Molly – HVLS beneficiary**."

CONTRACTED HEALTHWATCH MERTON SERVICES

MVSC continues to deliver the Healthwatch functions in LBM. Highlights for 2022/23 include:

Marking a 10-year milestone for Healthwatch Merton. Over the last ten years, people locally have shared their experiences to help improve health and social care in LBM.

Making a difference. A particular focus on two communities this year:

- Armed Forces Veterans, primarily to raise the profile and increase local awareness of our Armed Forces Veterans community in LBM to help make the borough Veteran aware.
- Safeguard the voice of LGBTQIA+ people in LBM, aiming to fill the gap left by the Merton LGBT forum which sadly dissolved during the pandemic. Healthwatch Merton along with several local partners support the establishment of 'Merton Plus' which is in its infancy and has already begun to raise the profile and awareness of the LGBTQIA+ community in LBM.

Healthwatch Merton provided 11 monthly e-bulletins with a total of 3,958 unique subscriber opens all containing a wealth of information on local and wider key information, promotion of events, health and social care wellbeing sessions, development and improvements, engagement opportunities, and much more.

Reaching out. Over 900 people Engaged with us or were involved in sharing their experiences of health and social care services with us, helping to raise awareness of issues and improve care. Over 5000 people received health and care support and guidance online. 46 people came to us for clear advice and information about topics such as mental health and the cost-of-living crisis.

Volunteers. This year we have been supported by 9 volunteers giving Healthwatch Merton the equivalent of 26 additional workdays of resource. Thanks to their efforts in supporting us and the community, we are better able to understand what is working and what needs improving in NHS and Social Care.

JIGSAW PROJECT

Using the Jigsaw project to further support the successful continuation of the Community Hub in conjunction with building increased capacity for referrals from Social Prescribing and the Community Hub, with support that can benefit both patients and residents seeking support.

MERTON GIVING

MVSC continues to be the lead partner for a place-based giving initiative in, collaboration with Merton Chamber of Commerce.

The Green Social Prescribing Fund launched in May 2022. (£49,424). This fund provided seven small grant funds from a total fund value of £49,424 to applications which supported residents' physical and mental health via pilot projects connecting with nature and taking place outdoors.

The Building Resilience Fund launched in July 2022. The fund focused on issues needing support in the borough in addition to those vulnerabilities arising and exacerbated by the economic crisis and the continued effect of the pandemic. This fund provided 28 grants from a total fund value of £266,978.

CURRENT PERFORMANCE PRIORITIES

The pandemic, along with the current Cost of Living crisis continued to impact the 2022/23 financial year. Priorities moving into the 2023/24 financial year include:

- Continued support of the growth and resilience of the local Voluntary, Community and Faith sector to emerge strongly from the pandemic, including for some with options of delivering services to residents in different ways.
- Further close working with the LBM and ICS teams to fully recognise and utilise the strength, insight, and commitment of the voluntary sector to support communities and local residents. A good example is the cross-sector work, bringing together the local authority, health authority, PCN and VSCE sector, to promote and support the specific and often unmet needs, of local military veterans (LBM has the second largest veteran population in Greater London).
- Taking a strong lead on behalf of the Voluntary, Community and Faith sector to both influence and ultimately benefit as the ICS entered its transitional period. To organise communications and forums to inform and listen to sector concerns and promote opportunities, including working in tandem with Healthwatch Merton.
- To further develop Healthwatch Merton impact in helping to promote user voices in tackling health inequalities in the borough.
- Continue to be a leading Social Prescribing organisation, not just in the borough, but as a national exemplar of innovation and Good Practice and to share such practice and expertise with colleagues, both nationally and regionally.

4. PLANS FOR 2023/2024

Despite another challenging year, MVSC were able to set up and support new organisations and continue with a range of assistance to existing organisations, including helping them to produce successful applications to regional and national funding bodies, as well as our own MG scheme.

MVSC's ambition remains to commission local services, which will also deliver embedded partnerships working in collaboration amongst and across our local VCSE sector. Collaboration and partnership-working have been and will remain a common thread through all the activities of Merton Connected and we hope, within the next financial year to expand the development of local delivery partnerships and explore the development of truly co-produced services, with statutory agencies, VCSE sector organisations and the communities of benefit, all having an input into their scope and design.

Core Services

Having completed and evaluated the pilot Step-Up programme, we plan to onboard a further eight local grassroots organisations next year who have benefited from our Step-Up Quality Assurance programme. This localised Quality Assurance framework, provides intensive support to local small and micro-organisation with the knowledge, skills and understanding (through a variety of mechanism; 1-2-1 support, training workshops, action learning sets) to develop their practice and governance and evidence that they meet basic standards of quality in both the organisations governance structures and service delivery.

The Core Services Team will continue to invest time in an asset-based model of community development, looking at what assets already exist within communities/neighbourhoods and building upon them to improve the health, wellbeing, and resilience of local residents.

Our work funded through the Core20Connectors programme will be built on this model of a positive model of community development, utilising core individuals within the community to engage with residents and spread important health messages, whilst at the same time gaining a greater understanding of residents lived experiences and needs.

We recognise that to achieve the above outputs and outcomes we need investing internally to strength and future proof the organisation. This will include investment in our staff, expanding the staff team and investing in their individual and collective training and development; our resources and systems, updating systems and procedures, whilst also purchasing, where appropriate, new digital systems and office equipment and.

Healthwatch Merton

Health and care services are currently facing unprecedented challenges. Tackling the backlog from the pandemic needs to be a key priority for the NHS to ensure everyone gets the care they need. Over the next year Healthwatch Merton will continue our role in collecting feedback from our local community and giving them a voice to help shape improvements to services. We have several areas of focus identified going into 23/24 (below), however, we actively identify new areas of work throughout the year that we add to our work programme in response to National, Regional and local requirements.

- Continued focus on strengthening the Voice within service design and improvement locally for Armed Forces Veterans
- Development of a 'Voice for Young People' model to influence and direct areas of focus of our work
- In partnership with our five Southwest London Healthwatch's to conduct joint community engagement research that aims to improve compliance with the Accessible Information Standard in GP practices in South West London.

Social Prescribing

Our development of Social Prescribing will continue, with ongoing support for the 22 GP Practices across LBM. The current emergence of Green Social Prescribing is an exciting new development which the team is supporting. In keeping with the trailblazing ethos of social prescribing in LBM, an innovative pilot will be undertaken to move into secondary care, by providing a Social Prescriber Link Worker in the Pain Clinic at St Helier hospital.

Our Social Prescribing team will also continue to promote the success of the LBM model to other boroughs in the sub-region, region and nationally, to remain a key contributor to the continuing growth and knowledge set of the success of social prescribing nationally.

In July 2022 the local health service reorganised, and the ICS replaced the CCG. In line with the NHS Ten Year Plan, the newly formed ICS will develop more locally commissioned health-based services, with a greater focus on local community delivery. Over time we expect the ICS to include an increasing number of local third sector organisations supporting the direct delivery of front-line health and care services. This approach will not only further address remedy health inequalities but will also build on the successful involvement of local organisations and volunteers who, for example, successfully supported the Covid-19 vaccination programme.

Governance and Organisational Development

The Board conducted a review of MVSC's internal governance and organisational performance in 2022/2023 in recognition of the significant post pandemic and cost of living contextual changes and increasing importance of digitally supported service delivery. The review findings are being used in the implementation of a 'Governance Refresh' Program covering the policies, systems and processes concerned with ensuring the overall direction, effectiveness, supervision, and accountability of MVSC.

The Board is committed to adopting the National Council for Voluntary Organisations. Implementation will be prioritised, results-based and phased requiring updates to the Strategy, Board Governance, Executive Performance Management, Financial and Human Resources Management and Digital and Social Media support services will be required.

The Board is also considering undertaking annually a social audit of MVSC's activities as described in its Articles of Association in addition to the financial audit required by law. The role of the social audit shall be to identify the social costs and benefits of MVSC's work, and to enable an assessment to be made of its overall performance in relation to its objects more easily than may be made from the financial accounts alone.

FINANCIAL REVIEW

Financial Statements

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

Statement of Financial Activities

The Statement of Financial Activities is shown on page 20 with a more detailed analysis of income and expenditure within the notes to the financial statements. Total incoming resources for the year increased to £1,456,705 (2022: £1,418,518). Grants and contract income for this year was £1,395,656 (2022: £1,351,753) this is split between £830,778 (2022: £754,244) unrestricted funding, £564,878 (2022: £597,509) restricted funding and a range of grant funds which MVSC manages on behalf of the public sector, including holding and distributing funds. The total of these grants for distribution to third parties is recognised as restricted income, however it is worthwhile noting that these funds are not used in direct charitable expenditure rather given to organisations as grants.

During this year the total of this income was £218,000 (2022/23: £258,500). Full details are shown in Note 5.

Donations this year have decreased to a post-pandemic level of £4,877 (2022: £7,415).

The total expenditure for the year was £1,478,071 (2022: £1,500,928) a slight decrease to the previous year.

The net effect of the above has led to an overall operating deficit of £21,389 decreased from last year £50,668.

Balance Sheet

Overall reserves are £1,029,580 (2022: £1,050,969) with unrestricted reserves being £340,118 (2022: £242,857) after providing for the defined benefit pension liability of £7,994 (2022: £12,539).

Unrestricted reserves: £340,118 (2022: £242,867)

Unrestricted reserves are available to spend on activities that further any of the purposes of the Charity. Such costs can include programme, fund-raising, management, and administration as well as the cost of meeting any future shortfalls in

restricted fund activities. These funds are the accumulated balances arising from cost savings and income generation relating to the core functions of MVSC. They also include sums budgeted by the Board of Trustees to be set aside to meet known future cost threats.

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

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

Restricted Reserves: £689,462 (2022: £808,111)

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

Reserves Policy

The Board of Trustees reviews the reserves policy annually and seeks to maintain a minimum balance of unrestricted reserves equivalent to six months of budgeted core net operating costs (including the uncovered pension deficit under FRS102). This equals £180,561 for this financial year.

FINANCIAL REVIEW *continued*

Currently unrestricted reserves at the year-end are £340,118, less £7,994 set aside for the future pension liability repayments and £12,912 representing fixed assets, giving a net unrestricted free reserves figure of £319,212, a surplus of £138,651 over the minimum target unrestricted reserves figure of £180,561.

This substantial balance of unrestricted reserves will enable MVSC to manage future financial and operational risk in its growing programme of guidance and assistance to the local community within the LBM.

Unrestricted funds also need to be set aside for future major investment (e.g., systems and equipment and other infrastructure assets). There are no plans for making such investments at the date of this Trustees' Report. A designated fund of £26,000 has been received as management fees for the administration of Merton Giving.

To ensure the minimum impact on Reserves MVSC adopts the following principles in relation to ongoing project funding:

- Firstly, all annual Budgets only include estimates for grant income, whether for unrestricted or restricted purposes, if they are supported at minimum by a draft agreement with the funder.
- When specific project funding ends the associated staffing expenditure and direct overheads incurred in running the project will also cease. There will be no call on unrestricted reserves.
- In exceptional circumstances where Trustees expressly wish that activity is to continue and have a reasonable expectation that new funds will be received, unrestricted reserves may be used to sustain posts for a limited period.
- An allowance for redundancy costs for all project staff are included in project funding budgets to avoid the need to fund redundancy costs from general reserves.

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

The Board of Trustees will continue to monitor the effectiveness of its Reserves Policy so that it remains relevant to its current and future position. The last formal review of the reserves policy was undertaken at the February 2023 Board meeting. However, because the Charity operates in a constantly changing environment the Trustees throughout the year regularly review the Charity's balances of reserves, together with cash flow levels to ensure prudent management of its funds.

Details of the various reserves and their movements are set out in more detail in Note 23, 24 and 25 on pages 35 to 37.

Cash Management

The Board of Trustees seeks to retain a prudent sum of cash in the Bank Current Account sufficient to cover two months gross income on unrestricted activities and one month's income on restricted activities. For 2022/23 this required an average balance £166,400. The excess over this sum was placed in a short-term investment account, which offered more security than a current account and a better rate of interest. Current account cash is managed to ensure availability to meet the short-term net budgeted expenditure needs and grant giving requirements.

Currently these excess funds are placed with Charity Offices Investment Fund (COIF) under their Charities Deposit Fund scheme. COIF is registered with the Financial Conduct Authority under the Financial Services and Markets Act 2000 (FSMA) and is an ethical investor. Aside from retaining a prudent amount in reserves each year. As a result of the increased interest rates introduced by the Bank of England through 2022 and 2023 MVSC has received a significant amount of interest income which has added to our unrestricted funds.

Going Concern

Looking ahead the trustees are aware of the emerging problems in the local and national economy and the potential impact on:

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

- MVSC's funders
- The viability of local voluntary and charitable organisations and
- The health and wellbeing of the vulnerable people in our community.

The sustained long-term impact of the increased cost of living and both the legacy and spectre of Covid-19 means pressure on public and voluntary services providers may continue to build. Economic uncertainty and responding to this uncertainty is an ever increasing challenge across the voluntary sector.

The Board of Trustees is of the view that forecast expenditure to 31 March 2024 will be fully funded from currently approved grants and contracts and from reasonably expected future funding from the same and similar sources.

Looking further ahead into 2024, 12 months from the date of the Audit of these 2022/23 Accounts (as required by International Standards on Auditing ISA 570 (Revised)), the Board of Trustees remains confident that the Charity will continue to be the "go to" organisation for major funders seeking to prudently channel funds to front-line voluntary organisations in the LBM. The smaller voluntary organisations can better reach and provide services to vulnerable local communities and individuals, but many require advice and support from MVSC/Merton Connected to enable them to deliver their service efficiently and effectively.

The Board of Trustees is confident that direct public funding to MVSC, including Healthwatch and Social Prescribing services will continue for 2024/2025 through the Council's Strategic Partnership 3-year funding programme and the NHS Integrated Care Systems programme. Funding from independent charitable trusts is also expected to continue for specific projects and purposes.

Forecasting the economic and public service environment beyond 2024/25 is more difficult but the Board of Trustees is confident that MVSC will continue to receive grants from the Council and the NHS at a similar level in future years. By keeping a close eye on MVSC's core costs and ensuring project costs match grant budgets the Board of Trustees has every reason to be confident in our medium-term viability

Grant making The Charity makes grants to a wide range of organisations who are either based in the LBM and neighbouring or adjoining areas or have strong relationships in these areas with a proven track record of benefitting residents. We are particularly keen to help grassroots community groups and small-to-medium-sized voluntary organisations. We would always consider a proposal that has the potential to achieve substantial impact in our community and furthers our charitable objectives.

All grant programmes are administered primarily through MG.

Trustees Responsibilities

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

Company law requires the Charity's Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied, they give a true and fair view of the state of affairs of the charitable company, and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 (FRS102);
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023**

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to Disclosure of Information to Auditor

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

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

Auditor

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

Small Companies

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

Approved on behalf of the Board of Trustees on 15 December 2023



Brian Dillon - Chair and Trustee

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

FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of Merton Voluntary Service Council (the 'charitable company') for the year ended 31 March 2023, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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 of opinion

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

Conclusions relating to going concern

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.

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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. 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 course of 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, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

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

FOR THE YEAR ENDED 31 MARCH 2023

- the directors' report included within the trustees' 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 included within the trustees' 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit [; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Enquiry of management and those charged with governance about actual and potential litigation or claims and the identification of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

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

FOR THE YEAR ENDED 31 MARCH 2023

- Auditing the risk of management override of controls, including testing journal entries and other adjustments for appropriateness; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Professional scepticism in course of the audit and with audit sampling in material audit areas.

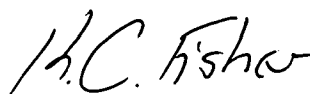
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

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

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



20 December 2023

MERTON VOLUNTARY SERVICE COUNCIL

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

	<i>note</i>	Unrestricted Funds 2023	Restricted Funds 2023	Total Funds 2023	Total Funds 2022
		£	£	£	£
Donations and legacies	2	-	4,877	4,877	7,415
Income from charitable activities	5				
Grants and Contracts		830,778	564,878	1,395,656	1,351,753
Other Trading Activities					
Other Income	4	38,430	979	39,409	58,962
Investment	3	16,763	-	16,763	388
TOTAL INCOME		885,971	570,734	1,456,705	1,418,518
EXPENDITURE					
Expenditure on Charitable Activities	6	780,811	697,260	1,478,071	1,500,928
TOTAL EXPENDITURE		780,811	697,260	1,478,071	1,500,928
OPERATING DEFICIT		105,160	(126,526)	(21,366)	(82,410)
Other recognised gains/(losses)					
Actuarial (losses)/gains on defined benefit schemes	14	(23)	-	(23)	31,742
NET EXPENDITURE		105,137	(126,526)	(21,389)	(50,668)
Transfer between funds	24	(7,876)	7,876	-	-
NET MOVEMENT IN FUNDS	24	97,261	(118,650)	(21,389)	(50,668)
TOTAL RECONCILIATION OF FUNDS BROUGHT FORWARD AT 1 APRIL 2022	24	242,857	808,112	1,050,969	1,101,637
TOTAL FUNDS CARRIED FORWARD AT 31 MARCH 2023	24	340,118	689,462	1,029,580	1,050,969

All income and expenditure is derived from continuing activities.

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

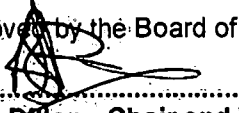
The notes on pages 23 – 40 form part of these financial statements.

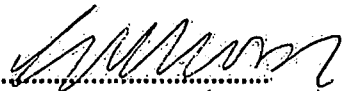
**MERTON VOLUNTARY SERVICE COUNCIL
BALANCE SHEET
AT 31 MARCH 2023**

	note	£	2023 £	2022 £	£
FIXED ASSETS					
Intangible assets	16		12,912		14,526
Tangible assets	17		-		-
CURRENT ASSETS					
Debtors	18	152,491		299,537	
Cash at bank and in hand		1,410,494		1,085,661	
		<u>1,562,985</u>		<u>1,385,198</u>	
LIABILITIES					
CREDITORS - Amounts falling due within one year	19	(542,891)		(340,784)	
NET CURRENT ASSETS			<u>1,020,094</u>		<u>1,044,414</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,033,006</u>		<u>1,058,940</u>
CREDITORS – Amounts falling due after more than one year					
PENSION LIABILITY	23		(3,426)		(7,971)
NET ASSETS	23		<u><u>1,029,580</u></u>		<u><u>1,050,969</u></u>
TOTAL FUNDS OF THE CHARITY					
Unrestricted Funds:	24		340,118		242,857
Restricted Funds	24		689,462		808,112
Total Funds	24		<u><u>1,029,580</u></u>		<u><u>1,050,969</u></u>

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

Approved by the Board of Trustees on 15 December 2023 and signed on its behalf by:


.....
Brian Dillon - Chair and Trustee


.....
Asha Newsum - Trustee

The notes on pages 23 – 40 form part of these financial statements

MERTON VOLUNTARY SERVICE COUNCIL

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023**

Cash Flow	<i>note</i>	2023 £	2022 £
Net cash provided by/(used in) operating activities		<u>308,070</u>	<u>(58,063)</u>
Cash flows from investing activities			
Interest from Investments	3	16,763	388
Purchase of intangible assets		-	-
Net cash provided by/(used in) investing activities		<u>16,763</u>	<u>388</u>
Change in cash and cash equivalent		324,833	(57,675)
Cash and cash equivalent at the start of the year		1,085,661	1,143,336
Cash and cash equivalent at the end of the year		1,410,494	1,085,661
Reconciliation of net movement in funds to net cash flow from operating activities			-
Net (expenditure)/income for the reporting period (as per the statement of financial activities)		(21,389)	(50,668)
Adjustments for:			
Add back depreciation charge	16	1,614	2,886
Interest from investments	3	(16,763)	(388)
(Decrease)/increase in debtors		147,046	(93,118)
Increase in creditors		202,107	119,535
(Decrease) in pension charge		(4,545)	(36,310)
Net cash used in operating activities		<u>308,070</u>	<u>(58,063)</u>
Analysis of cash and cash equivalents	<i>note</i>	2023 £	2022 £
Bank and cash in hand		1,410,494	1,085,661
Total cash and cash equivalents		<u>1,410,494</u>	<u>1,085,661</u>

The notes on pages 23 – 40 form part of these financial statements

1. ACCOUNTING POLICIES

Company status

Merton Voluntary Service Council is a charitable company limited by guarantee and registered in England and Wales. The registered office and company registration number are detailed on page 3.

Basis of preparation

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

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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

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

Preparation of the accounts on a going concern basis

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The Trustees have made this assessment considering the Charity's unrestricted free reserves, secured funding going forward and current and planned activities.

Income

All income is recognised in the Statement of Financial Activities when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably. Income received in advance of a project or other specified service is deferred until the criteria for income recognition are met (see Note 21.).

Expenditure and irrecoverable VAT

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

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

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP 2019 (FRS 102), the general volunteer time contributed is not recognised and refer to the Trustees' annual report for more information about their contribution.

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

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

1. ACCOUNTING POLICIES *continued*

Allocation of support costs

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

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

Pension costs and other post-retirement benefits

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

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

Interest receivable

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

Fund accounting

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

Corporation Taxation

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

Intangible fixed assets

Intangible fixed assets include the development of a new website and database. The estimated useful years and amortisation method of the intangible assets are calculated on a straight-line basis as follows:

Asset Category	Annual Rate
Website	10% on cost
Database	10% on cost

Tangible fixed assets

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

Asset Category	Annual Rate
Computer and office equipment	33% on cost

Debtors

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

Cash at bank in hand

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

1. ACCOUNTING POLICIES *continued*

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

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

Operating leases

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

2. INCOME FROM DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	<u>4,877</u>	<u>7,415</u>

Income from donations was £4,877 (2022: £7,415) of which £Nil was unrestricted (2022: £495) and £4,877 was restricted (2022: £6,920).

3. INVESTMENT INCOME

	2023	2022
	£	£
Interest received	<u>16,763</u>	<u>388</u>

All of the Charity's investment income arises from money held in interest bearing deposit accounts and is unrestricted.

4. INCOME EARNED FROM OTHER ACTIVITIES

	2023	2022
	£	£
Service Income	33,042	54,405
Other income	<u>6,367</u>	<u>4,557</u>
	<u>39,409</u>	<u>58,962</u>

Income earned from other activities was £39,409 (2022: £58,962) all being unrestricted income.

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. INCOME FROM CHARITABLE ACTIVITIES

Grants and contract received are as follows:

	2023	2022
	£	£
Unrestricted		
Comm Hub Jigsaw Model Research Project	6,708	33,538
Community Links Bromley	9,382	13,938
Croydon Voluntary Action	10,000	-
Healthwatch Sutton	3,000	-
LBM (Transactional Services Team)	7,986	-
City Bridge Trust	5,726	-
Good Things Foundation Contract	-	3,650
LBM - Covid-19 Community Response Hub	-	8,209
LBM - Notional Rent	37,949	37,949
LBM - Strategic Partner Fund Contract	175,000	175,000
LBM - Volunteering in Libraries Contract	17,500	17,500
LBM - Lunch club	24,800	-
LBM - Vaccine Champions fund	50,000	-
London Ambulance Service Engagement	5,000	-
London Sport Satellite Club	-	20,000
Merton Clinical Commissioning Group – Social Prescribing Contract	475,378	428,023
Others	2,349	16,437
	<u>830,778</u>	<u>754,244</u>
Restricted – Project based		
City Bridge Trust – Development Work Grant	-	33,833
City Bridge Trust – Merton Giving Grant	56,500	52,834
GLA – Young Londoners Fund Local Networks Grant	30,900	39,900
LBM - Community Accountancy and Merton Giving Support	74,325	40,275
LBM – Healthwatch Grant	125,000	125,000
LBM – Your Merton Engagement	-	20,000
Wimbledon Foundation Grant	-	27,167
LBM - Community Hub Jigsaw	33,538	-
CCG Capacity Building Fund	26,615	-
	<u>346,878</u>	<u>339,009</u>
Restricted - Grants for third parties		
Clarion Futures	17,000	-
LBM – Merton Partnership Community Giving Grants	121,000	116,500
Moat Homes Limited	5,000	-
National Lottery Community Fund	-	142,000
Wimbledon Foundation	25,000	-
LBM - Inequalities	50,000	-
	<u>218,000</u>	<u>258,500</u>
Total Restricted	<u>564,878</u>	<u>597,509</u>
Total Income from Charitable Activities	<u>1,395,656</u>	<u>1,351,753</u>

5. INCOME FROM CHARITABLE ACTIVITIES *continued*

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

MVSC manages a range of grant funds on behalf of the public sector, including holding and distributing funds. The total of these grant funds is recognised in restricted income, shown above, however it is worthwhile noting that these funds are not used in direct charitable expenditure rather given to organisations as grants. During this year the total of this income was £218,000 (2021: £258,500).

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Grants given (Note 7.1)	Direct Charitable Expenditure (Note 7)	Support Costs (Note 8)	Total	Total
	2023	2023	2023	2023	2022
	£	£	£	£	£
General Activities	-	676,207	104,604	780,811	744,669
City Bridge Trust - Development	-	-	-	-	-
City Bridge Trust - Merton Giving	-	51,025	3,293	54,318	40,415
CCG Capacity Building Fund	26,615	-	-	26,615	52,730
Comm Hub Jigsaw Model Research Year Project	-	8,333	-	8,333	-
Greater London Authority - Young Londoners	-	38,537	-	38,537	35,845
LBM - Community Accountancy Support	-	23,709	-	23,709	35,842
LBM - Healthwatch	-	102,764	20,958	123,722	124,174
LBM - Quality Assurance	-	-	-	-	-
LBM - Transforming communities capacity funding	-	7,369	-	7,369	12,438
LBM - Your Merton Community Consultation and Engagement Project	-	-	-	-	20,000
Merton EMHIP Inequalities Project	-	507	-	507	-
Social Prescribing Contract	-	7,455	-	7,455	22,104
Sutton and Merton CCGs' Charitable Funds	236,361	-	-	236,361	-
Trust for London	-	-	-	-	2,222
Big Lottery	-	-	-	-	-
Merton Giving Grant Distribution Fund	170,041	293	-	170,334	387,274
Wimbledon Foundation - Step Up	-	-	-	-	7,856
Wimbledon Foundation - Skill Up	-	-	-	-	15,359
	433,017	916,199	128,855	1,478,071	1,500,928

Of the total expenditure of £1,478,071 (2022: £1,500,928), £697,260 was in respect of restricted funds (2022: £756,259) and £780,811 was in respect of unrestricted funds (2022: £744,669).

MERTON VOLUNTARY SERVICE COUNCIL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023****7. DIRECT CHARITABLE EXPENDITURE**

	2023	2022
	£	£
Staff and related costs	669,502	702,672
Direct Project costs	100,860	156,510
Premises and hall hire costs	42,610	41,054
Office costs	55,787	60,963
Professional fees and other costs	47,440	38,374
	<u>916,199</u>	<u>999,573</u>

7.1 GRANTS GIVEN

The following institutions were given cumulative grants in the year:

	2023	2022
	£	£
Accoutre Centre for Learning CIC	-	10,000
Age UK Merton	10,000	-
Ashdon Jazz Academy	-	2,790
Association for the Polish Family	12,000	16,438
ATS Creative Academy CIC	10,000	14,450
Attic Theatre Company (London) Limited	-	9,948
Avanti Mental Well Being CIC	-	10,000
BAME Voice	78,000	-
Bgs of Taste Ltd	10,000	-
CARAS	9,877	-
Carers Support Merton	10,000	-
Chabad Lubavitch of South London	-	5,000
Combination Dance Grant	9,522	-
Commonside	7,096	-
Commonside Community Development Trust	9,454	13,650
Community Drugs & Alcohol Recovery Services	9,853	-
CroydonPlus Credit Union	10,000	-
Duffus Cancer Foundation (DCF)	10,000	11,855
Ethnic Minority Centre.	7,015	-
Filmanthropy CIC	-	10,000
Five Aside Theatre	7,980	10,391
Focus 4 1	6,788	7,000
Free2B Alliance CIC	-	9,000
FROG Learning CIC	7,370	5,325
Girls into Coding CIC	-	10,000
Graphite & Diamond Ltd	12,275	-
Hestia Housing and Support	10,000	-
InCommon Foundation	10,000	-
Inner Strength Network CIC	-	10,870

MERTON VOLUNTARY SERVICE COUNCIL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023****7.1 GRANTS GIVEN *continued***

Jigsaw4U (g)	10,000	-
Jus 'T' Learn (formerly MSJ Student Charity)	-	7,380
Kiddicode Project	-	10,000
Lantern Arts Centre	10,000	7,505
Maggies at the Royal Marsden	10,000	4,990
Maroon Solis CIC	10,000	-
May Projects Garden CIC	10,000	-
Merton Centre for Independent Living	9,650	5,124
Merton Community Transport	10,000	-
Merton Somali Community (MESCO)	9,945	-
Merton Voluntary Association for the Blind	-	9,915
Mitcham Town Community Trust	-	5,000
Other Small grants of up to £5,000 were made to 15 institutions (2021:39)	-	35,055
Positive Network Community Project	-	10,981
Safe Ground	-	9,335
Sherwood Park Hall CIC	-	6,600
Sonoro	-	16,850
South London Tamil Welfare Group	10,000	2,000
South Mitcham Community Association	9,840	-
South West Law Centre	7,744	-
South West London Law Centres	20,000	-
Springfield Advice and Law Centre Limited	-	10,000
Studio Upstairs	5,000	14,871
Sustainable Merton	17,021	13,042
Sutton African and Caribbean Cultural Organisation	4,984	-
The Endeavour Club	-	10,000
The Salvation Army (in Mitcham)	-	6,744
The Walk and Talk Movement CIC	-	8,150
Unique Talent CIC	8,143	9,084
Uptown Youth Services	-	10,000
Wimbledon Community Chorus	-	6,000
Wimbledon Guild	3,460	-
Women Arise Ministries	10,000	5,000
Wood World Missions	-	6,680
	<u>433,017</u>	<u>387,023</u>

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. SUPPORT COSTS

	2023	2022
	£	£
Staff and related costs	66,012	64,987
Premises and hall hire costs	6,173	9,044
Office costs	41,498	24,003
Professional fees and other costs	10,808	13,166
Governance costs (Note 9)	4,364	3,132
	<u>128,855</u>	<u>114,332</u>

9. GOVERNANCE COSTS

	2023	2022
	£	£
Audit fees	4,261	3,096
Committee & Strategic Planning costs	103	36
	<u>4,364</u>	<u>3,132</u>

10. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):	2023	2022
	£	£
Audit fees	4,261	3,096
Operating lease rentals	41,857	41,857
Amortisation and depreciation	<u>1,614</u>	<u>2,886</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

11. STAFF COSTS

	2023	2022
	£	£
Wages and Salaries	615,068	603,606
Social security costs	55,128	53,422
Pension costs	30,596	24,880
	<u>700,792</u>	<u>681,908</u>

No employee had total employee benefits (excluding employer pension costs) (2022: nil) in excess of £60,000. Pension costs are allocated to activities in proportion to the related staffing costs incurred.

The Charity Trustees were not paid or received any other benefits from employment with the Charity in the year (2022: £nil) neither were they reimbursed expenses during the year (2022: £nil). No Charity trustee received payment for professional or other services supplied to the Charity (2022: £nil).

The key management personnel of the Charity are detailed on page 5 of the accounts.

The total employee remuneration of the key management personnel of the Charity was £46,375 (2022: £76,953). Under FRS 102, total employee benefits include gross pay, benefits in kind, employer's national insurance contributions and employers pension costs. The figure is lower due to resignation of the CEO in September 2022 and was replaced in February 2023.

12. STAFF NUMBERS

The average monthly number of employees (including casual and part time staff) during the year was as follows:

	2023	2022
	Numbers	Numbers
Senior Management Team	4	4
Other Direct Charitable Staff	18	14
	<u>22</u>	<u>18</u>

13. TRANSACTIONS AND RELATED PARTIES

There were no related party transactions during the year or the previous year, other than the remuneration of key management personnel set out in Note 11.

14. PENSION COSTS

The charitable company has a defined contribution pension scheme, which all employees are entitled to join. Previously, the charitable company operated a defined benefit scheme, which is now closed to new members. This is a multi-employer scheme operated by TPT Retirement Solutions and, whilst it is not possible to estimate the share of the assets and liabilities of the scheme attributable to Merton Voluntary Service Council, TPT Retirement Solutions has estimated that the employers' debt on withdrawal liability at the most recent annual funding update of 30 September 2022 would have been £60,260 (30 September 2021: £101,722).

Every three years, the Trustee of TPT Retirement Solutions undertakes a full valuation of the Plan and makes a thorough assessment of the funding position before undertaking any action as deemed appropriate. A full actuarial valuation for the scheme was carried out on 30 September 2020 and it reported that the Plan's deficit had reduced to £31.6m from £131.5m at 30 September 2017.

14. PENSION COSTS *continued*

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

The Trustee, following advice from the Actuary, has now implemented a new recovery plan. Under the new plan, the total deficit contributions due from employers will reduce from 1 April 2022 and each employer's share of the new amount will continue to be based on its own percentage share of the Plan's liabilities. The deficit contributions will be £3.312m per annum from 1 April 2022. No annual increase will be applied to these contributions and the recovery plan will remain unchanged, with an end date of 31 January 2025.

The Charity's Trustees consider that it is unlikely that any liability will crystallise in relation to this in the foreseeable future. Under FRS102, provision is required for the net present value of any agreed deficit recovery plan contributions relating to the Plan.

During the year ended 31 March 2023, payments have continued to be made in accordance with this plan and the provision for the net present value of deficit contributions was £7,994 (2022: £12,539).

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

	2023	2022
	£	£
Net interest from net defined asset/liability	237	342
	<u>237</u>	<u>342</u>

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

	2023	2022
	£	£
Defined benefit obligation	(12,539)	(59,283)
Contribution by scheme participants	4,568	15,002
Interest Cost	(237)	(342)
Re-measurement from changes in financial assumptions	214	288
Re-measurement from amendments to the contribution scheme	-	31,796
	<u>(7,994)</u>	<u>(12,539)</u>

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

	2023	2022
	£	£
Actuarial /(losses)/gains from changes in financial assumptions	(23)	31,742
	<u>(23)</u>	<u>31,742</u>
	2023	2022
	£	£
Discount rate	<u>5.52%</u>	<u>2.35%</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

15. CORPORATION TAX

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

16. INTANGIBLE FIXED ASSETS

	Website 2023 £	Database 2023 £	Total 2023 £
COST			
At 1 April 2022	10,200	5,940	16,140
Additions	-	-	-
At 31 March 2023	10,200	5,940	16,140
AMORTISATION			
At 1 April 2022	1,020	594	1,614
Charge for year	1,020	594	1,614
At 31 March 2023	2,040	1,188	3,228
NET BOOK VALUE			
At 31 March 2023	8,160	4,752	12,912
At 31 March 2022	9,180	5,346	14,526

17. TANGIBLE ASSETS – All assets have been fully depreciated

TANGIBLE FIXED ASSETS	Computer and Office Equipment £	Total £
COST		
At 1 April 2022	36,601	36,601
Additions	-	-
Disposal	(8,901)	(8,901)
At 31 March 2023	27,700	27,700
ACCUMULATED DEPRECIATION		
At 01 April 2022	36,601	35,330
Charge for the year	-	-
Disposal	(8,901)	(8,901)
At 31 March 2023	27,700	27,700
NET BOOK VALUE		
At 31 March 2023	-	-
At 31 March 2022	-	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	80,946	227,521
Accrued Income	45,267	45,137
Prepayments	26,278	26,879
	<u>152,491</u>	<u>299,537</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	150,771	104,933
Funds held on behalf of other organisations	75,934	93,312
Other creditors	1,112	5,812
Accrued expenses	39,001	9,096
Deferred income	255,865	123,063
Pensions	4,568	4,568
Taxation and social security	15,640	-
	<u>542,891</u>	<u>340,784</u>

20. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2023	2022
	£	£
Pension liabilities	<u>3,426</u>	<u>7,971</u>

21. DEFERRED INCOME

	Balance Brought Forward	Amounts released from previous year	Income deferred in the current year	Balance Carried Forward
	£	£	£	£
Deferred Income	123,063	(123,063)	255,865	255,865

22. OPERATING LEASE COMMITMENTS

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

	2023	2022
	£	£
Expiring:		
Within one year	41,857	41,857
Between one and five years	17,440	59,297
More than five years	-	-
	<u>59,297</u>	<u>101,154</u>

The above commitments include service charges as well as rent.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year information for the net assets between funds:

	Unrestricted Funds			Restricted funds	2023
	General funds	Designated funds	Pension Funds		Total Funds
	£	£	£	£	£
Fixed assets	12,912	-	-	-	12,912
Current assets	696,455	26,000	-	840,534	1,562,985
Current liabilities	(387,255)	-	-	(151,068)	(538,323)
Pension liability < 1 year	-	-	(4,568)	-	(4,568)
Pension liability > 1 year	-	-	(3,426)	-	(3,426)
	322,112	26,000	(7,994)	689,462	1,029,580

Comparative year information for the net assets between funds:

	Unrestricted funds	Restricted funds	Total Funds
	£	£	2022
	£	£	£
Fixed assets	14,526	-	14,526
Current assets	301,618	1,083,580	1,385,198
Current liabilities	(60,748)	(275,468)	(336,216)
Pension liability < 1 year	(4,568)	-	(4,568)
Pension liability > 1 year	(7,971)	-	(7,971)
	242,857	808,112	1,050,969

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

24. MOVEMENT IN FUNDS:

Unrestricted Funds	Balance at 01/04/2022	Incoming Resources	Outgoing Resources	Transfers between funds	Gains & losses	Balance at 31/03/2023
	£	£	£	£	£	£
General Fund	255,396	885,971	(780,811)	(38,444)	-	322,112
Designated Fund	-	-	-	26,000	-	26,000
Pension Fund	(12,539)	-	-	4,568	(23)	(7,994)
Total Unrestricted Funds	242,857	885,971	(780,811)	(7,876)	(23)	340,118
Restricted Funds						
City Bridge Trust - Merton Giving	2,062	56,500	(54,318)	-	-	4,244
CCG Capacity Building Fund	-	26,615	(26,615)	-	-	-
Comm Hub Jigsaw Model Research Year Project	-	33,538	(8,333)	-	-	25,205
Greater London Authority - Young Londoners	7,637	30,900	(38,537)	-	-	-
LBM - Community Accountancy Support	4,433	74,325	(23,709)	-	-	55,049
LBM - Healthwatch	10,616	125,979	(123,722)	-	-	12,873
LBM - Transforming communities capacity funding	-	-	(7,369)	7,369	-	-
Merton EMHIP Inequalities Project	-	-	(507)	507	-	-
Social Prescribing Contract	7,455	-	(7,455)	-	-	-
Sutton and Merton CCGs' Charitable Funds	724,667	-	(236,361)	-	-	488,306
Merton Giving Grant Distribution Fund	46,101	222,877	(170,334)	-	-	98,644
Wimbledon Foundation – Merton Start Up	5,141	-	-	-	-	5,141
	808,112	570,734	(697,260)	7,876	-	689,462
TOTAL FUNDS	1,050,969	1,456,705	1,478,071	-	(23)	1,029,580

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

Comparative year information for movement in funds:

24. MOVEMENT IN FUNDS: *continued*

Unrestricted Funds	Balance at 01/04/2021 £	Net movement in funds £	Transfers between funds	Balance at 31/03/2022 £
General Fund	201,156	69,420	(15,180)	255,396
Pension Fund	(59,283)	31,742	15,002	(12,539)
	141,873	101,162	(178)	242,857
Restricted Funds				
Capacity Building – Trust for London	2,222	(2,222)	-	-
City Bridge Trust – Development Work	6,423	(6,582)	159	-
City Bridge Trust – Merton Giving	1,958	104	-	2,062
GLA – Young Londoners Network	3,582	4,055	-	7,637
LBM – Community Accountancy Support	-	4,433	-	4,433
LBM – Healthwatch	9,790	826	-	10,616
LBM – Quality Assurance	12,419	(12,438)	19	-
Merton Giving Grant Distribution Fund	133,462	(87,361)	-	46,101
Social Prescribing Contract	29,559	(22,104)	-	7,455
Sutton and Merton CCG – MSVC 2025 fund	759,160	(34,493)	-	724,667
Wimbledon Foundation – Merton Skill-Up	1,189	(1,189)	-	-
Wimbledon Foundation – Merton Start-Up	-	5,141	-	5,141
	959,764	(151,830)	178	808,112
TOTAL FUNDS	1,101,637	(50,668)	-	1,050,969
Unrestricted Funds	Incoming resources £	Outgoing resources £	Gains & losses £	Movement in Funds at 31/03/2022 £
General Fund	814,089	(744,669)	-	69,420
Pension Fund	-	-	31,742	31,742
Total Unrestricted Funds	814,089	(744,669)	31,742	101,162
Restricted Funds				
Capacity Building – Trust for London	-	(2,222)	-	(2,222)
City Bridge Trust – Development Work	33,833	(40,415)	-	(6,582)
City Bridge Trust – Merton Giving	52,834	(52,730)	-	104
GLA – Young Londoners Network	39,900	(35,845)	-	4,055
LBM – Community Accountancy Support	40,275	(35,842)	-	4,433
LBM – Healthwatch	125,000	(124,174)	-	826
LBM – Quality Assurance	-	(12,438)	-	(12,438)
LBM – Your Merton Engagement	20,000	(20,000)	-	-
Merton Giving Grant Distribution Fund	265,420	(352,781)	-	(87,361)
Social Prescribing Contract	-	(22,104)	-	(22,104)
Sutton and Merton CCG – MVCS 2025 Fund	-	(34,493)	-	(34,493)
Wimbledon Foundation – Merton Skill Up	6,667	(7,856)	-	(1,189)
Wimbledon Foundation – Merton Start Up	20,500	(15,359)	-	5,141
	604,429	(756,259)	-	(151,830)
TOTAL FUNDS	1,418,518	(1,500,928)	31,742	(50,668)

25. FUNDS

RESTRICTED FUNDS

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

Name of restricted fund	Description, nature, and purposes of the fund
Capacity Building – Trust for London	To enhance the knowledge and skills of local BAME organisations with regards to housing, planning and regeneration issues, enabling them to better support their members and BAME residents to present and campaign on the issues that affect them. The underspend on this fund was used to continue the project work which was delayed by the pandemic.
CCG Capacity Building Fund	
City Bridge Trust – Merton Giving	This element of the City Bridge Trust funding provides funding to both MVSC and Merton Chamber of Commerce to jointly generate income and arrange subsequent grant funding rounds through the Merton Giving Fund. The funding targets and outcomes have been over-achieved as a result of the continued activity of the Merton Giving Coronavirus Fund and its successors.
City Bridge Trust – Development Work	
Greater London Authority – Young Londoner Network Project	YLF Network project is a three-year programme supported by the Mayor of London's fund, aimed at building the capacity and quality of Voluntary Sector youth provision across the South West London sub-region. Through training, peer support, partnership, and collaboration the programme seeks to ensure Young People across the sub-region have a variety of good quality activities and projects to participate in that will help them to achieve and develop into well balanced, civically active, adults. This project has been extended to 31 December 2022 by the funder.
LBM – Community Accounting Support	As part of the work done within the Merton Giving team, we have also supported organisations with community accountancy during the application process.
LBM - Healthwatch	Healthwatch is the consumer champion for health and social care services in LBM.
LBM – Merton Quality Assurance	We secured funding from London Borough of Merton to provide quality assurance and partnership support for the voluntary sector.
LBM – Your Merton Engagement	The London Borough of Merton undertook an extensive programme of engagement with citizens, partners, businesses, and local VCS organisations to help develop a new long-term vision for the borough. Part of this programme was to ask VCS organisations to undertake engagement with their users, members, and volunteers. Small grants were made available for VCS organisations who will be facilitating Your Merton engagement, and this was managed by MVSC.

25. FUNDS *continued*

RESTRICTED FUNDS *continued*

LBM – Transforming Capacity
Funding
Merton EMHIP Inequality Project

Merton Giving Grant Distribution
Fund

Current year grant funding was received from LBM and The National Lottery Community Fund, along with donations from other charitable trusts, public donations, and fundraising events. This funding was then used to support local organisations in the borough in the way of grants through the Merton Giving scheme.

Social Prescribing Project

Merton Council and Merton CCG provided MVSC with funding to run a project, which connected patients at three East Merton GP practices with services in the community provided by voluntary organisations. Grant funding ended in September 2019 and a new expanded social prescribing contract was negotiated with the CCG from October 2019. The remaining balance on the 2019 fund will be used for future work within Social Prescribing in the borough.

Sutton and Merton CCG - MVSC
2025 fund

These funds were transferred to MVSC in February and March 2020 from an 'umbrella' charity managed by the Sutton and Merton CCGs. The transferred funds will be managed by MVSC and channelled through Merton Giving as grants to voluntary organisations and other not-for-profit bodies within the Borough of Merton to provide services with a focus on supporting residents and patients accessing local health and wellbeing services. MVSC will be promoting the development of social prescribing services throughout the borough and undertaking other activities, taking advice from the local PCN.

Wimbledon Foundation – Merton
Skill-Up

MVSC have provided a programme of targeted support to local organisations to improve their skills and knowledge in a range of areas, including governance and their ability to raise funds.

Wimbledon Foundation – Merton
Step-Up

The Merton Step-up programme was conceived as a natural progression to the Merton Skill-up project (a capacity building project funded by Wimbledon Foundation for a three-year period). Its aim is to provide a coherent and structured framework to support organisations evolution and ratify that they have met at least a foundation level of quality in terms of organisational governance and service delivery. The pilot programme has been used to respond to inequalities exposed by the pandemic, engaging with small local organisations who have either themselves been disproportionately affected by the pandemic and/or whose beneficiaries have been so (these include three local community centres, two of who are new and the third is undertaking a fundamental review of their organisation).

26. CAPITAL COMMITMENTS

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

27. CONTINGENT ASSETS

Total grant funding awarded as at 31 March 2023 but not yet received and recognised as income due to the recognition criteria not being met amounts to £192,000 (2022: £200,995).

Funds

	2023	2022
	£	£
Cornerstone	-	11,750
City Bridge Trust	92,000	149,000
Wimbledon Guild of Social Welfare	-	40,245
Wimbledon Foundation Grant	100,000	-
	<u>192,000</u>	<u>200,995</u>

28. LEGAL STATUS OF THE CHARITY

Merton Voluntary Service Council is a private company (Company No: 04164949) incorporated in Great Britain and registered in England and Wales. The company is limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is given in the Legal and Administrative Information on page 3.

MERTON VOLUNTARY SERVICE COUNCIL

**DETAILED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2023**

	2023	2022
	£	£
Voluntary income		
Donations	4,877	7,415
Investment income		
Interest received	16,763	388
Incoming resources from charitable activities		
Grants and contracts	1,395,656	1,351,753
Other trading activities		
Service Income	33,042	54,405
Miscellaneous income	6,367	4,557
Total Income	1,456,705	1,418,518
Charitable activities		
Staff Salaries	615,068	603,606
Employers National Insurance	55,128	53,422
Pension	30,596	24,880
Staff Training	2,312	2,739
Associates and Interim Staff	19,305	78,727
Staff travel	150	790
Recruitment	10,578	450
Other staff expenses	2,378	3,044
Premises costs	44,269	43,691
Volunteers' expenses	1,271	1,685
Committee and meeting costs	2,899	2,282
Grants given	433,017	387,023
Publications and subscriptions	3,940	4,880
Communication and publicity	37,797	3,743
Stationary, postage and telephone	7,850	4,912
IT costs	46,426	57,936
Depreciation	1,614	2,886
Website development	-	13,050
Professional fees	57,199	50,505
Bank charges	1,050	1,035
Direct project costs	100,860	156,510
	1,473,707	1,497,796
Governance costs		
Audit Fees	4,261	3,096
Committee and Strategic Planning costs	103	36
	4,364	3,132
Total Expenses	1,478,071	1,500,928
Operating (Deficit)/Surplus	(21,366)	(82,410)

This page does not form part of the statutory financial statements

Accounts

REGISTERED COMPANY NUMBER: 04164949
REGISTERED CHARITY NUMBER: 1085867

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022
FOR
MERTON VOLUNTARY SERVICE COUNCIL**

MERTON VOLUNTARY SERVICE COUNCIL

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

	Page
Legal and administrative information	1
Report of the Trustees	2 to 16
Report of the Independent Auditor to the Members	17 to 19
Statement of Financial Activities	20
Balance Sheet	21
Cash Flow Statement	22
Notes to the Financial Statements	23 to 41
Detailed Income and Expenditure Account (This page does not form part of the statutory accounts)	42

MERTON VOLUNTARY SERVICE COUNCIL

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2022

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04164949 (England and Wales)

Registered Charity number

1085867

Trading Name

Merton Connected

Registered office

The Vestry Hall
London Road
Mitcham
Surrey
CR4 3UD

Auditors

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

Bankers

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

Investments

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

Solicitors

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

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The Trustees (who are also directors of the charitable company for the purposes of the Companies Act 2006) are pleased to present their annual Trustees Report, together with the audited financial statements for the year ending 31 March 2022, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

PRINCIPAL ACTIVITY

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

Public Benefit

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

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

Membership of MVSC is open to local voluntary, community, and faith organisations, which meet the criteria for membership.

Appointment of new Trustees

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

Trustee recruitment and induction

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

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

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

All Trustees give their time voluntarily and receive no benefits from the Charity apart from reimbursed expenses set out in Note 11 in the accounts. The Trustees serving during the year and to the date of this report were as follows: -

Brian Dillon	Chair
Ben Wilkins	Treasurer
Abisola Fafolu	Resigned 1 September 2021
Asha Newsum	Appointed 17 December 2021
Jennifer Goddard	Appointed 25 March 2022
Robert Lightfoot	Resigned 17 December 2021
Wendy Pridmore	
Annie Wilson	
Kate Wignall	

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

Management of MVSC

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

Senior Management Team

Simon Shimmens	Chief Executive Officer
Adwoa Fadahunsi	Head of Development and Volunteering
Dave Curtis	Head of Healthwatch Merton
Ben Halschka	Head of Social Prescribing
Andrea Kibble	Interim Head of Finance

Pay policy for the Senior Management Team

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

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

Related parties and co-operation with other organisations

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

Use of volunteers

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

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT – continued

Risk and internal control

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

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

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

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

AIMS

Over the past year, during a period of additional pressures due to the Covid-19 pandemic, MVSC has continued to inspire, support and develop the voluntary and community sector in Merton to enrich the lives of residents of the borough.

Our key aims for the year were to modify as necessary and continue existing key aims, including to:

- Work even more collaboratively with our strategic partners to provide services with a focus on supporting pandemic related needs (such as long covid) of residents and voluntary, community and faith organisations
- Continue to provide support to existing organisations and help create new voluntary sector organisations, to strengthen and capacity build the voluntary, community and faith sector in Merton for the benefit of the residents they serve
- Work in partnership with Merton Chamber of Commerce and donors including Wimbledon Foundation, Clarion Futures, MOAT housing, LBM, CCG and the National Lottery Community Fund (NCLF) to administer funds through Merton Giving
- Continue successful delivery of Social Prescribing in line with the Social Prescribing contract, supporting all 22 GP practices, across all 6 Primary Care Network (PCN) areas of the borough
- Directly contribute to, and be part of the transition team influencing the development of the Integrated Care System (ICS) structure at borough and South West London (SWL) level. ICS formally replaces CCG on 1 July 2022
- Play an active part in the Merton Health and Care Together Board and support initiatives that support the voluntary sector in conjunction with LBM and CCG (now ICS)
- Progress the delivery of practical steps to open the Wellbeing Hub at the Wilson Hospital, in partnership with the Steering Group, the CCG and Public Health team at LBM
- Position Healthwatch Merton as an exemplar consumer health champion

Our strategic aims looking forward to 2022/23 are summarised in the MVSC Annual Review (2021/22):

Core Services:

- Building the capacity of third sector organisations in Merton.
- Facilitating co-operation.
- Partnership working.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRATEGIC DIRECTION

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

Trustee Board

Due to further resignations of trustees, two new trustees were formally appointed at the AGM held on 25 March 2022. Asha Newsum and Jen Goddard were formally appointed as new trustees and bring excellent experience to complement existing trustees.

New Trading Name for MVSC

MVSC is now using its trading name of Merton Connected. The name was quickly adopted by partners and has been a successful re-branding exercise. There remains no immediate intention to change MVSC as the formal legal entity.

Wilson Wellbeing initiative

Funding for refurbishment work in support of the Wellbeing Hub was secured from CCG and work was successfully carried out, improving the facility for customers. The facility was required as a vaccination centre, so the wellbeing plans have needed to be delayed. Further funding has however been secured from CCG to support the active development of wellbeing activities through to the end of 2023.

Social Prescribing

MVSC were successful in being awarded a year 3 contract in October 2021 for the team of 10 Social Prescribers supporting the 22 GP surgeries in the borough. In addition to adapting to more remote service delivery during the pandemic, the team continue to exceed contract requirements. Green Social Prescribing has been developed during 2022 and innovative outdoor based activity will be supported with LBM funding to further develop the breadth of options to residents receiving support.

Merton Giving Fund

Merton Giving continues to go from strength to strength, with three successful phases of main grant giving since April 2020 to support organisations through the pandemic. The Merton Giving website has been enhanced and all organisations receiving grants are summarised within the different phases. During this year we have appointed a Grants Manager.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

ACHIEVEMENT AND PERFORMANCE

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

CORE SERVICES

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

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

- Using the reach of our website and regular e-bulletin, Merton Connected which has a distribution of **658**, to ensure voluntary and community sector organisations are kept up to date with local news, funding and volunteering opportunities.
- Provision of over an estimated **1500** hours of one-to-one support sessions to local voluntary, community, and faith sector organisations on a variety of topics including, governance, safeguarding, income generation and quality standards.

Supporting organisations to achieve over **£961,366** of funding from a range of funders, excluding any additional funds via Merton Giving. We also supported organisations with applications to the borough's holiday activities and food clubs (HAF Funding) where local organisations were awarded in total over **£200,000** to provide a variety of holiday activities and food programmes during the principle school holidays – Easter, Summer and Christmas.

- Volunteering support with over 267 (198 registered through our new website) local individuals who have signed up to our volunteering database, receiving 42 weekly volunteering opportunity bulletins. Working with 16 organisations to develop 21 new volunteering roles and 85 volunteering opportunities. Recruited 9 Trustees for 5 local organisations and worked with 3 local employers on employee volunteer programmes.

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

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

- Supporting 9 new organisations with their registration with regulatory bodies, either the Charities Commission or Companies House.
- 33 organisations have undergone comprehensive organisational healthchecks and received intensive 1-2-1 sessions over an extended period. This includes 8 organisations piloting the Merton Step-Up Quality Assurance Award funded by Wimbledon Foundation. Support has included, strategic and financial governance (legal compliance), policy development, business planning, service delivery, income generation, monitoring & evaluation
- Coordinating 11 training workshops and CPD events for the sector. Introduction to safeguarding, Gangs and County lines, contextual safeguarding in Merton, Overview of DBS Policy & Procedure, Roles and Responsibilities of Trustees, Introduction to Volunteering; your rights, roles and responsibilities; Bystander training; Pediatric First Aid, Understanding and Implementing Covid Restrictions and infection, Wimbledon Foundation meet the Funder workshop.

Identify changing and emerging need and respond with expertise and influence:

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

- Working with LBM and health colleagues to support several initiatives to engage even more successfully with communities and individuals to improve understanding and engagement with proactive health initiatives. Initiatives include Community Champions, and for 2022-23, Vaccination Champions, Core 20 Connectors and Health on the High Street
- Contributing and influencing policy at borough level and across the wider health agenda locally, representing the views and issues of the sector, by senior team member presence on key boards, such as the Merton Health and Care Together Board.
- Continuing to strengthen links between the business sector, statutory and other funders to sustain the longevity of the Merton Giving programme, including supporting a Merton Giving 3-year Cornerstone bid to help the longer-term development of the Merton Giving programme, including supporting the principle of participatory panels.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

ACHIEVEMENT AND PERFORMANCE

CORE SERVICES - continued

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

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

- CEO membership of the transition team for the Integrated Care System (ICS) that replaces the Clinical Commissioning Group (CCG) in July 2022. Including working with the 5 other CVS organisations across South West London (SWL) to promote ideas of how structurally the voluntary sector can provide insight and influence to future NHS priorities and funding at borough and neighbourhood level.
- Supporting partnership and collaborative working between voluntary and public sector organisations. For example, taking a lead role in the Lunch Club/Community Café initiative and how it links to wider food provision at borough level.

CONTRACTED SERVICES

Healthwatch Merton

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

- **Making a difference** – We directly influenced and supported development of 5 different borough wide strategies seeking to improve local Health and Social Care services for residents, each with a clear focus on how it supports tackling local inequalities. We provided 12 monthly e-bulletins with a total of **3,848** subscriber opens all containing a wealth of information on local and wider key information, promotion of events, health and social care wellbeing sessions, development and improvements, engagement opportunities, and much more. We published 2 reports focusing on long covid from local people's experiences.
- **Reaching out** – **5,568** people engaged with us this year through social media, e-bulletins, planned sessions, with us at online community events and through using our website to find the advice and information they need and to be involved in local discussions. We heard directly from **497** people about their health and social care experience which feeds into helping shape and improve local Health and Care services locally.
- **Volunteers** – We were supported by a team of 13 amazing volunteers who are the heart of Healthwatch Merton giving us **576** volunteering hours. Thanks to their efforts in supporting us and the community, we are better able to understand what is working and what needs improving in NHS and Social Care.

Home Visits Library Service

We continued to run a home visits library service throughout Merton where volunteers deliver library books to those who are unable to visit the library.

- 14 volunteers have supported **85** housebound residents, investing over **515** estimated volunteer hours to deliver **943** deliveries, including an important keep in touch service during the pandemic.
- A quote from a beneficiary of the service *"I always look forward to receiving my book deliveries... they make me feel more connected to the world"* - Evelyn – **HVLS beneficiary**
- A quote from a volunteer *"It gives one a warm feeling knowing you are bringing pleasure to a vulnerable resident"* **Anthony – Volunteer Delivery Driver for the HVLS**

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

ACHIEVEMENT AND PERFORMANCE - continued

Social Prescribing

MVSC has been delivering and developing the Social Prescribing model since 2017. 2021/22 highlights include:

- The Merton Social Prescribing (SP) team has received 2615 new referrals between April 2021 and March 2022. The top reasons for referrals have been **930** referrals for Mental Health, Social Isolation with **500** referrals and **776** new referrals for Financial, Housing and Benefits Advice.
- The SP team is using the ONS Wellbeing Score to document patients' wellbeing improvements. Between April 2021 and March 2022, the ONS Patient Wellbeing Score improved by **68%**. 2246 patients completed the ONS Wellbeing Tool:
 - Satisfaction, **70%**
 - Worthwhile, **64%**
 - Happiness, **69%**
 - Decreased Anxiety, **67%**
- The pre-pandemic data from December 2019 to April 2020 recorded an average ONS Patient Wellbeing Score improvement by **85%**. The comparison of the pre-pandemic and end-pandemic data indicates a drastic deterioration of patients' wellbeing and a decline of the ONS Wellbeing Score by **16%**. As a response to these developments, Merton Connected has progressed increased capacity for Mental Health support and Financial Advice in Merton, using funds provided by the CCG.
- MVSC are contracted to deliver a target utilisation rate of 80%, which equals 560 hours of delivered appointments each month. The SP team has been strongly over-performing in 5 of the last 6 months of the 2021-22 financial year. The average performance over the year was **88.58%**, 10% above target.

PARTNERSHIPS

Merton Giving

MVSC continues with the place-based giving initiative through a partnership with Merton Chamber of Commerce and the highlights of 2021/22 are summarised:

- During this financial year, the Merton Giving Fund had two active funds open for applications; The Merton Giving Renewal Fund and The Merton Giving Pandemic Community Outreach Fund, which sat alongside and complemented one another.
- **The Merton Giving Renewal Fund** supported organisations on their path to recovery, sustainability, and renewal, whilst continuing the commitment to support organisations striving to meet the immediate needs of residents most affected by the pandemic. This fund included an allocation of devolved funding from the National Lottery Community Fund. **58 grants** were made to **53 distinct organisations** through five panels, a total of **£365,333**.
- **The Merton Giving Pandemic Community Outreach Fund** was focused on improved local engagement around health promotion including testing and vaccine confidence and convenience amongst key communities in the local community as well as combatting complacency. **12 grants** were made, a total of **£21,690**.
- During the year, Merton Giving joined Givings Together, a collaboration of 6 local place-based giving schemes in London funded by The Cornerstone Fund. Stage One, which took place from September 2021 to February 2022, was to explore how participatory grant-making might disrupt unfair and unequal systems and structures in funding. Participatory grantmaking is about shifting decision-making powers around how funding is allocated, from the funder to the local communities the funds are designed to support. The collaboration submitted a bid for Stage Two of the work which will be a 3-year plan focusing on implementing participatory approaches to grantmaking.

Age UK Merton and Wimbledon Guild

MVSC works with Age UK Merton (Lead Partner) and Wimbledon Guild to assist with the borough's Community Response Hub

- Using the jigsaw project to further support the successful continuation of the Community Hub in conjunction with building increased capacity for referrals from Social Prescribing and the Community Hub, with support that can benefit both patients and residents seeking support.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

CURRENT PERFORMANCE PRIORITIES

The Covid-19 pandemic still impacted the 2021/22 financial year. Priorities moving into the 2022/23 financial year include:

- Continued support of the growth and resilience of the local Voluntary, Community and Faith sector to emerge strongly from the pandemic, including for some with options of delivering services to residents in different ways.
- Further close working with the LBM and ICS teams, in particular, to fully recognise and utilise the strength, insight and commitment of the voluntary sector to support community groups. The example of support for Ukrainian guests in the borough is a great example of collaborative and constructive joint coordination to the benefit of residents.
- Ongoing partnering to support the Merton Giving programme to underpin resilience in the sector. More details in the future plans section.
- Taking a strong lead on behalf of the Voluntary, Community and Faith sector to both influence and ultimately benefit as the Integrated Care System (ICS) enters its transitional year starting on 1 July 2022. To organise communications and forums to inform and listen to sector opportunities and concerns, including working in tandem with Healthwatch Merton.
- To further develop Healthwatch Merton impact in helping to promote user voices in tackling health inequalities in the borough.
- Continue to be a leading Social Prescribing organisation, not just in the borough, but as an exemplar performer by any measure, sharing best practice and expertise regionally and nationally.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

MVSC's MISSION

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

MVSC's Objects are:

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

The Annual Review covers another challenging year where the Covid-19 pandemic has had a major influence on the activities of Merton Connected (MVSC). Importantly we have continued to support local voluntary, community and faith organisations who provide essential local services to Merton residents.

PLANS FOR 2022/23

Despite such a challenging year, we have been able to set up and support new organisations and continue with a range of assistance for existing organisations, including helping them to produce successful applications to the Merton Giving scheme and other funding activities.

The **Core Services Team** have invested time in an asset-based model of community development, looking at what assets already exist within communities/neighbourhoods and building upon them to improve the health, wellbeing and resilience of local residents.

- Carters Close Estate
- West Barnes
- Phipps Bridge
- Mitcham
- Central Mitcham Neighbourhood (Sadlers, Armfield Crescent, Laburnum, Eastfields estates,)
- Cricket Green Neighbourhood (Vestry Hall, Canons HSE and Wilson Wellbeing Centre)
- Lavender Field
- Pollards Hill

Asset maps will be used to produce 'Out & About in your Neighbourhood' information for local residents, as well as information for professionals and agencies working and delivering services in the locality.

Work has taken place with the development of a Young People's Foundation for Merton, which will build on and formalise local cross sector partnership and collaborative working to deliver activities and services for the benefit of local children and young people.

The extension of the Step-Up programme supported by Wimbledon Foundation, will enable the core service team to continue to provide a localised, foundation level Quality Assurance Framework for a further cohort of small Merton based organisations.

Canons Community Café and Youth Enterprise project - supporting the development of a Voluntary Sector partnership to provide a six-month pop-up community café at Canons house, for the benefit of local people using the facilities of the park and grounds. It will additionally provide an exclusive Youth café one evening a week, offering a safe space for local young residents to congregate, whilst also offering access to a variety of services on a rotating timetable. Additionally, the café will be offering a structured, accredited programme of work experience for vulnerable local young people, targeting those furthest from accessing such opportunities.

Healthwatch Merton has maintained its outreach activity to ensure the voice of health and social care service users are able to influence how services develop going forward.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

PLANS FOR 2022/23 - continued

Merton Giving has launched the Building Resilience Fund on the 15 July 2022, with the first panel date 28 September 2022. The fund will focus on addressing issues identified as those needing support in the borough in addition to those vulnerabilities arising and exacerbated by the economic crisis and the continued effect of the pandemic. This is especially relevant given the fast pace of change in our current environment. The fund will remain focused on addressing needs in the near term for a period of up to 12 months. The three themes of this fund are as follows:

- **Financial Wellbeing and Resilience** – Supporting financially vulnerable residents to help withstand the cost-of-living increases and manage debt issues to increase their knowledge and capability to help them towards a better financial footing. This could encompass both preventative and remedial work covering, but not limited to provision of/signposting to financial information and advice and practical, hands-on support.
- **Food Insecurity** – Supporting residents facing food insecurity, especially during the winter months, through increasing organisational capacity, for example via work which increases the number of volunteers and/or improves areas such as logistical support resulting in efficient allocation of food surpluses.
- **Health & Wellbeing** – Work to build resilience to support those facing food insecurity and fuel poverty to help protect the wellbeing of residents which could include, for example, being physically and socially active, increasing volunteer participation to build capacity and connecting communities. This theme extends to supporting residents to successfully access the appropriate health services at the appropriate times to ensure physical and mental well-being.

Our development of **Social Prescribing** continues, within ongoing support for the 22 GP Practices across Merton. The current emergence of Green Social Prescribing is an exciting new development which the team is supporting. In keeping with the trailblazing ethos of social prescribing in Merton, an innovative pilot will be undertaken to move into secondary care, by providing a Social Prescriber Link Worker in the Pain Clinic at St Helier hospital.

Our Social Prescribing team will also continue to promote the success of the Merton model to other boroughs in London and nationally, to remain a key contributor to the continuing growth of the success of social prescribing nationally.

In July 2022 the Integrated Care System (ICS) replaced the Clinical Commissioning Group (CCG). As the ICS develops there will be more locally commissioned health-based services, with more focus on local community delivery. Over time we expect the ICS to include an increasing number of local third sector organisations supporting the direct delivery of front-line health and care services. This approach will further address and help to remedy health inequalities and will build on the successful involvement of local organisations and volunteers who, for example, successfully supported the Covid-19 vaccination programme.

Collaboration and partnership-working have been, and will continue to be, a common thread through all the activities of Merton Connected. We are grateful for all the great support and partnership working we enjoy with statutory, business and third sector organisations and their teams, which enables Merton Connected to deliver maximum impact within the local community.

Through a further challenging year, the financial position of the organisation has improved significantly, in particular in respect of the level of unrestricted reserves. Although there is potential pressure on all existing and potentially new funding lines in the future, continued improved utilisation of process and systems will help MVSC to maintain its reputation for supporting success within the sector. As ever, the principles of collaboration and partnership working will continue to underpin the ethos of Merton Connected (MVSC).

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW

Financial Statements

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

Statement of Financial Activities

The Statement of Financial Activities is shown on page 20 with a more detailed analysis of income and expenditure within the notes to the financial statements. Total incoming resources for the year increased to £1,418,518 (2021: £1,483,083). Grants and contract income for this year was £1,351,753 (2021: £1,367,568) this is split between £754,244 (2021: £698,502) unrestricted funding, £597,509 (2021: £669,066) restricted funding and also a range of grant funds which MVSC manages on behalf of the public sector, including holding and distributing funds. The total of these grants for distribution to third parties is recognised as restricted income, however it is worthwhile noting that these funds are not used in direct charitable expenditure rather given to organisations as grants. During this year the total of this income was £258,500 (2021: £357,324). Full details are shown in Note 5, page 26.

Donations this year have decreased to a pre-pandemic level of £7,415 (2021: £68,171). The large donation figure from the previous financial year was due to the Covid-19 pandemic and the fundraising efforts made within our Merton Giving scheme, which is run in partnership with the Merton Chamber of Commerce.

The total expenditure for the year was £1,500,928 (2021: £1,309,745). The increase of £191,183 is attributable primarily to the significant number of Grants Given to Local Organisations of £387,083 (2021: £338,162), details of which can be seen in Note 7.1, Direct Project Costs £156,510 (2021: £94,593) along with the costs of improving the organisation's IT systems and website and an increase in staff costs of £27,922.

The net effect of the above has led to an overall operating deficit of £82,410 before unrealised actuarial gains of £31,742 (2021: operating surplus of £173,338 before unrealised actuarial losses of £3,606). However, it should be noted that the operating deficit should be broken down as follows:

- Surplus on unrestricted funding - £69,420 (2021: Surplus £93,610)
- Deficit on restricted project funding - £29,976 (2021: Deficit £6,567)
- Deficit on restricted grant distribution funding - £121,854 (2021: Surplus £86,295) – this large variance is a timing difference of the distribution of grants to organisation as part of the Merton Giving Grant Scheme.

The focus should really be on the continued increase in the Charity's unrestricted reserves, which have increased again this year.

Balance Sheet

At the year end, the Charity has recorded a large unrealised actuarial gain of £31,742 in relation to the pension scheme, which has reduced the recorded deficit to £12,539 (2021: £59,283). Full details of this liability can be found in Note 14, pages 30 and 31.

Overall reserves are £1,050,969 (2021: £1,101,637) with unrestricted reserves being £242,857 (2021: £141,873) after providing for the defined benefit pension liability of £12,539 (2021: £59,283). This represents another improvement on the organisations free reserves position.

Unrestricted reserves - £242,857 (2021: £141,873)

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

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

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

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW - continued

Restricted Reserves - £808,112 (2021: £959,764)

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

The balance on restricted reserves can be sub-divided into:

- Restricted project reserves - £37,344 (2021: £67,142)
- Restricted grant distribution reserves - £770,768 (2021: £892,622)

The largest restricted balance item at 31 March 2022 is the MVSC 2025 Fund which was £724,667 (2021: £759,160) – received in 2021 from the Sutton & Merton CCG's Charitable Fund. Expenditure from this Fund will be small grants and assistance to local voluntary organisations providing services within the Borough of Merton to residents and patients. This programme is managed through Merton Giving, and during the current year grants of a total of £34,493 have been issued. Full details of all restricted funds can be seen in Notes 23 and 24.

Reserves Policy

The Board of Trustees reviews the reserves policy annually and seeks to maintain a minimum balance of unrestricted reserves equivalent to six months of budgeted core net operating costs (including the uncovered pension deficit under FRS102). This equals £157,761 for this financial year.

Currently unrestricted reserves at the year-end are £255,396, less £12,539 set aside for the future pension liability repayments, giving a net unrestricted free reserves figure of £242,857, a surplus of £85,096 over the minimum target unrestricted reserves figure of £157,761.

This substantial balance of unrestricted reserves will enable MVSC to manage future financial and operational risk in its growing programme of guidance and assistance to the local community within the Borough of Merton.

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

To ensure the minimum impact on Reserves MVSC adopts the following principles in relation to ongoing project funding:

- Firstly all annual Budgets only include estimates for grant income, whether for unrestricted or restricted purposes, if they are supported at minimum by a draft agreement with the funder.
- When specific project funding ends the associated staffing expenditure and direct overheads incurred in running the project will also cease. There will be no call on unrestricted reserves.
- In exceptional circumstances where Trustees expressly wish that activity is to continue and have a reasonable expectation that new funds will be received, unrestricted reserves may be used to sustain posts for a limited period.
- An allowance for redundancy costs for all project staff are included in project funding budgets to avoid the need to fund redundancy costs from general reserves.

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

The Board of Trustees will continue to monitor the effectiveness of its Reserves Policy so that it remains relevant to its current and future position. The next formal review of the reserves policy will be undertaken at the February 2023 Board meeting. However, because the Charity operates in a constantly changing environment the Trustees throughout the year regularly review the Charity's balances of reserves, together with cash flow levels to ensure prudent management of its funds.

Details of the various reserves and their movements are set out in more detail in Note 23, 24 and 25 on pages 34 to 40.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW - continued

Going Concern

Looking ahead the trustees are aware of the emerging problems in the local and national economy and the potential impact on:

- MVSC's funders
- the viability of local voluntary and charitable organisations and
- the health and wellbeing of the vulnerable people in our community.

In parallel to economic and climate concerns Covid-19 is still impacting on the community as new variants emerge, creating more pressure on public and voluntary services providers.

The Board of Trustees is of the view that forecast expenditure to 31 March 2023 will be fully funded from currently approved grants and contracts and from reasonably expected future funding from the same and similar sources. The Board notes the increased risk cover available from MVSC's available unrestricted reserves at 31 March 2022, although it is of the view that these are unlikely to be required to fund any service deficits in 2022/23.

Looking further ahead into 2023, 12 months from the date of the Audit of these 2021/22 Accounts (as required by International Standards on Auditing ISA 570 (Revised)), the Board of Trustees remains confident that the Charity will continue to be the "go to" organisation for major funders seeking to prudently channel funds to front-line voluntary organisations in the Borough of Merton. The smaller voluntary organisations can better reach and provide services to vulnerable local communities and individuals, but many require advice and support from MVSC/Merton Connected to enable them to deliver their service efficiently and effectively.

The Board of Trustees is confident that direct public funding to MVSC, including Healthwatch and Social Prescribing services, will continue for 2023/24 through the Council's Strategic Partnership 3-year funding programme and the NHS Integrated Care Systems programme. Funding from independent charitable trusts is also expected to continue for specific projects and purposes.

Forecasting the economic and public service environment beyond 2023/24 is more difficult but the Board of Trustees is confident that MVSC will continue to receive grants from the Council and the NHS at a similar level in future years. By keeping a close eye on MVSC's core costs and ensuring project costs match grant budgets the Board of Trustees has every reason to be confident in our medium-term viability.

Investment Policy and Objectives

The Board of Trustees seeks to retain a prudent sum of cash in the Bank Current Account sufficient to cover two months gross income on unrestricted activities and one month's income on restricted activities. For 2021/22 this required an average balance £166,400. The excess over this sum was placed in a short-term investment account, which offered more security than a current account and a marginally better rate of interest. Current account cash is managed to ensure availability to meet the short-term net budgeted expenditure needs and grant giving requirements.

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

Average interest rates paid on balances throughout 2021/22 were insignificant. It is likely in 2022/23 and 2023/24 that interest rates will regularly rise in small increments. The Board of Trustees will regularly review treasury management needs and policy as rates change.

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

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW - continued

Grant making policy

The Charity makes grants to a wide range of organisations who are either based in the London Borough of Merton and neighbouring or adjoining areas or have strong relationships in these areas with a proven track record of benefitting residents. We are particularly keen to help grassroots community groups and small-to-medium-sized voluntary organisations. We would always consider a proposal that has the potential to achieve substantial impact in our community and furthers our charitable objectives.

The Charity is not solely a grant making organisation. To ensure proper governance, the Board of Trustees have developed a grant making policy that sets out the principles, criteria and processes that govern how the Charity defines and makes grants. This includes when and to whom authority for making grants may be delegated and how information is reported back to the Board of Trustees.

All grant programmes are administered through Merton Giving, the organisation's charitable initiative with the Merton Chamber of Commerce. This initiative gives both groups applying for funding, and donors making contributions, a single point of reference. Criteria and process are described for each grant programme on Merton Giving's website and decisions are made by delegated panels to published timelines. <https://mertongiving.co.uk>.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Trustees Responsibilities

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

Company law requires the Charity's Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 (FRS102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement as to Disclosure of Information to Auditors

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

Auditors

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

Small Companies

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

Approved on behalf of the Board of Trustees on 27 September 2022

Brian Dillon - Chair and Trustee

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MERTON VOLUNTARY SERVICE COUNCIL

Opinion

We have audited the financial statements of Merton Voluntary Service Council (the 'charitable company') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

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

Conclusions relating to going concern

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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MERTON VOLUNTARY SERVICE COUNCIL

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MERTON VOLUNTARY SERVICE COUNCIL

Auditor's responsibilities for the audit of the financial statements

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

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

- Enquiry of management and those charged with governance about actual and potential litigation or claims and the identification of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including testing journal entries and other adjustments for appropriateness; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Professional scepticism in course of the audit and with audit sampling in material audit areas.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.

Use of our report

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

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

27 September 2022

MERTON VOLUNTARY SERVICE COUNCIL

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted Funds £	Restricted Funds £	2022 Total Funds £	2021 Total Funds £
INCOME					
Donations	2	495	6,920	7,415	68,171
Income from charitable activities	5				
Grants and contracts		754,244	597,509	1,351,753	1,367,568
Other trading activities					
Other income	4	58,962	-	58,962	46,899
Investments	3	388	-	388	445
Total Income		814,089	604,429	1,418,518	1,483,083
EXPENDITURE					
Charitable activities:	6				
Expenditure on Activities		744,669	756,259	1,500,928	1,309,745
Total Expenditure		744,669	756,259	1,500,928	1,309,745
Operating (Deficit)/Surplus		69,420	(151,830)	(82,410)	173,338
Actuarial gains/(losses) on defined benefit scheme	14	31,742	-	31,742	(3,606)
NET INCOME		101,162	(151,830)	(50,668)	169,732
Transfers between funds		(178)	178	-	-
NET MOVEMENT IN FUNDS	24	100,984	(151,652)	(50,668)	169,732
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD		141,873	959,764	1,101,637	931,905
TOTAL FUNDS CARRIED FORWARD		242,857	808,112	1,050,969	1,101,637

All income and expenditure is derived from continuing activities.

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

The notes on pages 23 to 41 form part of these financial statements

MERTON VOLUNTARY SERVICE COUNCIL

**BALANCE SHEET
AT 31 MARCH 2022**

	Notes	2022 £	2021 £
FIXED ASSETS			
Intangible assets	16	14,526	16,140
Tangible assets	17	-	1,272
		14,526	17,412
CURRENT ASSETS			
Debtors	18	299,537	206,419
Cash at bank		1,085,661	1,143,336
		1,385,198	1,349,755
LIABILITIES			
Creditors: Amounts falling due within one year	19	(340,784)	(221,249)
NET CURRENT ASSETS		1,044,414	1,128,506
TOTAL ASSETS LESS CURRENT LIABILITIES		1,058,940	1,145,918
PENSION LIABILITY	20	(7,971)	(44,281)
NET ASSETS		1,050,969	1,101,637
TOTAL FUNDS OF THE CHARITY	23/24		
Unrestricted funds		242,857	141,873
Restricted funds		808,112	959,764
TOTAL FUNDS		1,050,969	1,101,637

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

Approved by the Board of Trustees on **27 September 2022** and signed on its behalf by:

.....
Brian Dillon - Chair and Trustee

.....
Ben Wilkins – Honorary Treasurer and Trustee

The notes on pages 23 to 41 form part of these financial statements

MERTON VOLUNTARY SERVICE COUNCIL

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
Net cash provided by operating activities	<u>(58,063)</u>	<u>97,164</u>
	(58,063)	97,164
Cash flows from investing activities		
Interest from Investments	388	445
Purchase of intangible assets	<u>-</u>	<u>(16,140)</u>
Net cash provided by investing activities	<u>388</u>	<u>(15,695)</u>
Change in cash and cash equivalents	<u>(57,675)</u>	<u>81,469</u>
Cash and cash equivalents at the start of the year	<u>1,143,336</u>	<u>1,061,867</u>
Cash and cash equivalents at the end of the year	<u>1,085,661</u>	<u>1,143,336</u>
 Reconciliation of net movement in funds to net cash flow from operating activities		
	2022 £	2021 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(50,668)	169,732
Adjustments for:		
Add back depreciation charge	2,886	1,271
Interest from investments	(388)	(445)
(Increase) in debtors	(93,118)	(94,189)
Increase in creditors	119,535	32,191
(Decrease) in pension charge	<u>(36,310)</u>	<u>(11,396)</u>
Net cash used in operating activities	<u>(58,063)</u>	<u>97,164</u>
Analysis of cash and cash equivalents		
	2022 £	2021 £
Bank and cash in hand	<u>1,085,661</u>	<u>1,143,336</u>
Total cash and cash equivalents	<u>1,085,661</u>	<u>1,143,336</u>

The notes on pages 23 to 41 form part of these financial statements

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

Company status

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

Basis of preparation

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

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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

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

Preparation of the accounts on a going concern basis

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The Trustees have made this assessment considering the Charity's unrestricted reserves, secured funding going forward and current and planned activities.

Income

All income is recognised in the Statement of Financial Activities when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably. Income received in advance of a project or other specified service is deferred until the criteria for income recognition are met (see Note 21).

Expenditure and irrecoverable VAT

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

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

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP 2019 (FRS 102), the general volunteer time contributed is not recognised and refer to the Trustees' annual report for more information about their contribution.

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

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

Allocation of support costs

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

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

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES – continued

Pension costs and other post-retirement benefits

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

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

Interest receivable

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

Fund accounting

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

Corporation Taxation

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

Intangible fixed assets

Intangible fixed assets include the development of a new website and database. The estimated useful years and amortisation method of the intangible assets are calculated on a straight-line basis as follows:

Asset Category	Annual Rate
Website	10% on cost
Database	10% on cost

Tangible fixed assets

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

Asset Category	Annual Rate
Computer and office equipment	33% on cost

Debtors

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

Cash at bank in hand

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

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

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

Operating leases

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

MERTON VOLUNTARY SERVICE COUNCIL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022****2. INCOME FROM DONATIONS AND LEGACIES**

	2022	2021
	£	£
Donations	<u>7,415</u>	<u>68,171</u>
	<u>7,415</u>	<u>68,171</u>

Income from Donations was £7,415 (2021: £68,171) of which £495 was unrestricted (2021: £55) and £6,920 was restricted (2021: £68,116).

3. INVESTMENT INCOME

	2022	2021
	£	£
Interest received	<u>388</u>	<u>445</u>

All of the Charity's investment income of £388 (2021: £445) arises from money held in interest bearing deposit accounts and is unrestricted.

4. INCOME EARNED FROM OTHER ACTIVITIES

	2022	2021
	£	£
Service Income	54,405	41,107
Other income	<u>4,557</u>	<u>5,792</u>
	<u>58,962</u>	<u>46,899</u>

Income earned from other activities was £58,962 (2021: £46,899) of which £58,962 was unrestricted (2021: £46,899) and £nil was restricted (2021 £nil).

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

5. INCOME FROM CHARITABLE ACTIVITIES

Grants and contract received are as follows:

	2022	2021
	£	£
Unrestricted		
Comm Hub Jigsaw Model Research Project	33,538	-
Community Links Bromley	13,938	8,000
Good Things Foundation Contract	3,650	5,913
LBM – Covid-19 Community Response Hub	8,209	38,689
LBM – Notional Rent	37,949	37,949
LBM – Strategic Partner Fund Contract	175,000	175,000
LBM – Volunteering in Libraries Contract	17,500	17,750
London Sport Satellite Club	20,000	-
Merton Clinical Commissioning Group – Social Prescribing Contract	428,023	410,701
Others	<u>16,437</u>	<u>4,500</u>
	<u>754,244</u>	<u>698,502</u>
Restricted – Project based		
City Bridge Trust – Development Work Grant	33,833	61,500
City Bridge Trust – Merton Giving Grant	52,834	54,917
GLA – Young Londoners Fund Local Networks Grant	39,900	36,825
LBM - Community Accountancy and Merton Giving Support	40,275	-
LBM – Healthwatch Grant	125,000	125,000
LBM – Your Merton Engagement	20,000	-
Trust for London Grant	-	13,500
Wimbledon Foundation Grant	<u>27,167</u>	<u>20,000</u>
	339,009	311,742
Restricted - Grants for third parties		
Clarion Futures	-	40,000
LBM – Merton Partnership Community Giving Grants	116,500	262,324
Moat Homes Limited	-	25,000
National Lottery Community Fund	142,000	-
Wimbledon Foundation	<u>-</u>	<u>30,000</u>
	258,500	357,324
Total Restricted	<u>597,509</u>	<u>669,066</u>
Total Income from Charitable Activities	<u><u>1,351,753</u></u>	<u><u>1,367,568</u></u>

MVSC manages a range of grant funds on behalf of the public sector, including holding and distributing funds. The total of these grant funds is recognised in restricted income, shown above, however it is worthwhile noting that these funds are not used in direct charitable expenditure rather given to organisations as grants. During this year the total of this income was £258,500 (2021: £357,324).

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Charitable Expenditure	Support Costs	Total	Total
	2022	2022	2022	2021
	£	£	£	£
General Activities	670,969	73,700	744,669	652,291
City Bridge Trust – Development Work	38,082	2,333	40,415	58,028
City Bridge Trust – Merton Giving	49,520	3,210	52,730	56,310
Greater London Volunteering – Young Londoner	31,015	4,830	35,845	35,572
LBM – Community Accountancy and MG Support	31,692	4,150	35,842	-
LBM - Healthwatch	99,780	24,394	124,174	117,791
LBM - Quality Assurance	12,438	-	12,438	3,325
LBM - Your Merton Engagement Project	20,000	-	20,000	-
Merton CCG – Social Prescribing	22,104	-	22,104	15,066
Trust for London	2,222	-	2,222	13,528
Voluntary Sector Small Grant Development	387,274	-	387,274	339,145
Wimbledon Foundation – Step up	7,741	115	7,856	18,689
Wimbledon Foundation – Skill up	13,759	1,600	15,359	-
	<u>1,386,596</u>	<u>114,332</u>	<u>1,500,928</u>	<u>1,309,745</u>

Of the total expenditure of £1,500,928 (2021: £1,309,745), £756,259 was in respect of restricted funds (2021: £657,454) and £744,669 was in respect of unrestricted funds (2021: £652,291).

7. DIRECT CHARITABLE EXPENDITURE

	2022	2021
	£	£
Staff and related costs	702,672	715,189
Direct Project costs	156,510	94,593
Grants Given (details Note 7.1)	387,023	338,162
Premises and hall hire costs	41,054	42,450
Office costs	60,963	37,647
Professional fees and other costs	38,374	22,599
	<u>1,386,596</u>	<u>1,250,640</u>

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

7.1. GRANTS GIVEN

The following institutions were given cumulative grants in the year:

	2022 £	2021 £
Accoutre Centre for Learning CIC	10,000	5,000
AFC Wimbledon Foundation	-	10,415
African Educational Cultural Health Organisation	-	5,000
Ashdon Jazz Academy	2,790	6,789
Association for the Polish Family	16,438	5,400
ATS Creative Academy CIC	14,450	5,158
Attic Theatre Company (London) Limited	9,948	6,385
Avanti Mental Well Being CIC	10,000	-
Chabad Lubavitch of South London	5,000	-
Commonside Community Development Trust	13,650	7,160
The Endeavour Club	10,000	-
Ethnic Minority Centre Limited	11,855	8,254
Fayre & Square Wimbledon	-	7,515
Filmanthropy CIC	10,000	-
Five Aside Theatre CIC	10,391	-
Focus 4 1 CIC	7,000	5,000
Free2B Alliance CIC	9,000	-
FROG Learning CIC	5,325	-
Girls into Coding CIC	10,000	-
Hearts and Minds	-	15,000
Inner Strength Network CIC	10,870	5,000
Jigsaw4U	-	11,695
Jus 'T' Learn (formerly MSJ Student Charity)	7,380	8,176
Kiddicode Project	10,000	-
Lantern Arts Centre	7,505	7,315
Maggie Keswick Jencks Cancer Caring Centres	4,990	6,720
Merton and Mitcham Division Girlguiding	-	5,000
Merton and Morden Guild	-	8,500
Merton Centre for Independent Living	5,124	5,386
Merton Community Transport	-	21,756
Merton Home Tutoring Services	-	5,000
Merton Voluntary Association for the Blind	9,915	-
Mitcham Town Community Trust	5,000	6,500
Positive Network Community Project	10,981	10,000
Safe Ground	9,335	-
Sherwood Park Hall CIC	6,600	8,407
Somali Community CIC	-	9,678
Sonoro	16,850	-
South London Tamil Welfare Group	2,000	6,045
Springfield Advice and Law Centre Limited	10,000	-
Studio Upstairs	14,871	-
Sustainable Merton	13,042	10,000
The Salvation Army (in Mitcham)	6,744	-
The Walk and Talk Movement CIC	8,150	-
Tooting and Mitcham Community Sports Club Ltd	-	12,500
Unique Talent CIC	9,084	6,800
Uptown Youth Services	10,000	-
Wimbledon Community Chorus	6,000	-
Women Arise Ministries Global	5,000	-
Wood World Missions	6,680	-
Other Small grants of up to £5,000 were made to 15 institutions (2021:39)	35,055	96,608
	<u>387,023</u>	<u>338,162</u>

MERTON VOLUNTARY SERVICE COUNCIL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022****8. SUPPORT COSTS**

	2022	2021
	£	£
Staff and related costs	64,987	30,193
Premises and hall hire costs	9,044	2,405
Office costs	24,003	11,309
Professional fees and other costs	13,166	11,907
Governance costs	<u>3,132</u>	<u>3,291</u>
	<u>114,332</u>	<u>59,105</u>

9. GOVERNANCE COSTS

	2022	2021
	£	£
Audit fees	3,096	3,024
Committee & Strategic Planning costs	<u>36</u>	<u>267</u>
	<u>3,132</u>	<u>3,291</u>

10. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2022	2021
	£	£
Audit fees	3,096	3,024
Operating lease rentals	41,857	41,857
Amortisation and depreciation	<u>2,886</u>	<u>1,271</u>

11. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	603,606	577,773
Social security costs	53,422	51,286
Pension costs	<u>24,880</u>	<u>24,927</u>
	<u>681,908</u>	<u>653,986</u>

One employee had employee benefits in excess of £60,000 (2021: 1). Pension costs are allocated to activities in proportion to the related staffing costs incurred.

The Charity Trustees were not paid or received any other benefits from employment with the Charity in the year (2021: £nil) neither were they reimbursed expenses during the year (2021: £nil). No Charity trustee received payment for professional or other services supplied to the Charity (2021: £nil).

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

The total employee remuneration of the key management personnel of the Charity was £76,953 (2021: £66,897). Under FRS 102, total employee benefits include gross pay, benefits in kind, employer's national insurance contributions and employers pension costs.

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

12. STAFF NUMBERS

The average monthly number of employees (including casual and part time staff) during the year was as follows:

	2022 Numbers	2021 Numbers
Senior Management Team	4	4
Other Direct Charitable Staff	<u>14</u>	<u>14</u>
	<u>18</u>	<u>18</u>

13. TRANSACTIONS AND RELATED PARTIES

There were no related party transactions during the year or the previous. year, other than the remuneration of key management personnel set out in Note 11.

14. PENSION COSTS

The charitable company has a defined contribution pension scheme, which all employees are entitled to join. Previously, the charitable company operated a defined benefit scheme, which is now closed to new members. This is a multi-employer scheme operated by TPT Retirement Solutions and, whilst it is not possible to estimate the share of the assets and liabilities of the scheme attributable to Merton Voluntary Service Council, TPT Retirement Solutions has estimated that the employers' debt on withdrawal liability at the most recent annual funding update of 30 September 2021 would have been £101,722. (30 September 2020: £175,666).

Every three years, the Trustee of TPT Retirement Solutions undertakes a full valuation of the Plan and makes a thorough assessment of the funding position before undertaking any action as deemed appropriate. A full actuarial valuation for the scheme was carried out at 30 September 2020 and it reported that the Plan's deficit had reduced to £31.6m from £131.5m at 30 September 2017.

The Trustee, following advice from the Actuary, has now implemented a new recovery plan. Under the new plan, the total deficit contributions due from employers will reduce from 1 April 2022 and each employer's share of the new amount will continue to be based on its own percentage share of the Plan's liabilities. The deficit contributions will be £3.312m per annum from 1 April 2022. No annual increase will be applied to these contributions and the recovery plan will remain unchanged, with an end date of 31 January 2025.

The Charity's Trustees consider that it is unlikely that any liability will crystallise in relation to this in the foreseeable future. Under FRS102, provision is required for the net present value of any agreed deficit recovery plan contributions relating to the Plan.

During the year ended 31 March 2022, payments have continued to be made in accordance with this plan and the provision for the net present value of deficit contributions was £12,539 (2021: £59,283).

MERTON VOLUNTARY SERVICE COUNCIL**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022****14. PENSION COSTS - continued**

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

	2022	2021
	£	£
Net interest from net defined asset/liability	<u>342</u>	<u>1,579</u>
	<u>342</u>	<u>1,579</u>

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

	2022	2021
	£	£
Defined benefit obligation	(59,283)	(70,242)
Contribution by scheme participants	15,002	14,565
Interest Cost	(342)	(1,579)
Re-measurement from changes in financial assumptions	288	(2,027)
Re-measurement from amendments to the contribution scheme	<u>31,796</u>	<u>-</u>
	<u>(12,539)</u>	<u>(59,283)</u>

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

	2022	2021
	£	£
Actuarial gains/(losses) from changes in financial assumptions	<u>31,742</u>	<u>(3,606)</u>
	<u>31,742</u>	<u>(3,606)</u>

	2022	2021
	£	£
Discount rate	<u>2.35%</u>	<u>0.66%</u>

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

15. CORPORATION TAX

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

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

16. INTANGIBLE FIXED ASSETS

	Website £	Database £	Totals £
COST			
At 1 April 2021	10,200	5,940	16,140
Additions	-	-	-
At 31 March 2022	<u>10,200</u>	<u>5,940</u>	<u>16,140</u>
AMORTISATION			
At 1 April 2021	-	-	-
Charge for year	<u>1,020</u>	<u>594</u>	<u>1,614</u>
At 31 March 2022	<u>1,020</u>	<u>594</u>	<u>1,614</u>
NET BOOK VALUE			
At 31 March 2022	<u>9,180</u>	<u>5,346</u>	<u>14,526</u>
At 31 March 2021	<u>10,200</u>	<u>5,940</u>	<u>16,140</u>

17. TANGIBLE FIXED ASSETS

	Computer & Office equipment £	Totals £
COST		
At 1 April 2021	36,601	36,601
Additions	-	-
At 31 March 2022	<u>36,601</u>	<u>36,601</u>
DEPRECIATION		
At 1 April 2021	35,329	35,329
Charge for year	<u>1,272</u>	<u>1,272</u>
At 31 March 2022	<u>36,601</u>	<u>36,601</u>
NET BOOK VALUE		
At 31 March 2022	<u>-</u>	<u>-</u>
At 31 March 2021	<u>1,272</u>	<u>1,272</u>

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	227,521	121,033
Accrued Income	45,137	55,008
Prepayments	<u>26,879</u>	<u>30,378</u>
	<u>299,537</u>	<u>206,419</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	104,933	68,456
Funds held on behalf of other organisations	93,312	24,782
Other creditors	5,812	3,097
Accrued expenses	9,096	3,183
Deferred income	123,063	106,729
Pensions	<u>4,568</u>	<u>15,002</u>
	<u>340,784</u>	<u>221,249</u>

20. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2022	2021
	£	£
Pension liabilities	<u>7,971</u>	<u>44,281</u>
	<u>7,971</u>	<u>44,281</u>

21. DEFERRED INCOME

	Balance Brought Forward	Applied In Year	Deferred In Year	Balance Carried Forward
	£	£	£	£
Deferred Income	<u>106,729</u>	<u>(115,729)</u>	<u>132,063</u>	<u>123,063</u>
	<u>106,729</u>	<u>(115,729)</u>	<u>132,063</u>	<u>123,063</u>

22. OPERATING LEASE COMMITMENTS

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

	2022	2021
	£	£
Expiring:		
Within one year	41,857	41,857
Between one and five years	59,297	101,154
More than five years	<u>-</u>	<u>-</u>
	<u>101,154</u>	<u>143,011</u>

The above commitments include service charges as well as rent.

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year information for the net assets between funds:

	Unrestricted Funds	Restricted Funds	2022 Total Funds	2021 Total Funds
	£	£	£	£
Fixed assets	14,526	-	14,526	17,412
Current assets	301,618	1,083,580	1,385,198	1,349,755
Current liabilities	(60,748)	(275,468)	(336,216)	(206,247)
Pension liability < 1 year	(4,568)	-	(4,568)	(15,002)
Pension liability > 1 year	(7,971)	-	(7,971)	(44,281)
	<u>242,857</u>	<u>808,112</u>	<u>1,050,969</u>	<u>1,101,637</u>

Comparative year information for the net assets between funds:

	Unrestricted Funds	Restricted Funds	2021 Total Funds	2020 Total Funds
	£	£	£	£
Fixed assets	16,140	1,272	17,412	2,543
Current assets	240,195	1,109,560	1,349,755	1,174,097
Current liabilities	(55,179)	(151,068)	(206,247)	(174,493)
Pension liability < 1 year	(15,002)	-	(15,002)	(14,565)
Pension liability > 1 year	(44,281)	-	(44,281)	(55,677)
	<u>141,873</u>	<u>959,764</u>	<u>1,101,637</u>	<u>931,905</u>

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

24. MOVEMENT IN FUNDS – Current Year

	At 1/4/21 £	Net movement in funds £	Transfers between funds £	At 31/3/22 £
Unrestricted funds				
General fund	201,156	69,420	(15,180)	255,396
Pension fund	<u>(59,283)</u>	<u>31,742</u>	<u>15,002</u>	<u>(12,539)</u>
	141,873	101,162	(178)	242,857
Restricted funds				
Capacity Building - Trust for London	2,222	(2,222)	-	-
City Bridge Trust – Development Work	6,423	(6,582)	159	-
City Bridge Trust – Merton Giving	1,958	104	-	2,062
GLA – Young Londoners Network	3,582	4,055	-	7,637
LBM – Community Accountancy Support	-	4,433	-	4,433
LBM – Healthwatch	9,790	826	-	10,616
LBM – Quality Assurance	12,419	(12,438)	19	-
Merton Giving Grant Distribution Fund	133,462	(87,361)	-	46,101
Social Prescribing Project	29,559	(22,104)	-	7,455
Sutton and Merton CCG - MVSC 2025 fund	759,160	(34,493)	-	724,667
Wimbledon Foundation - Merton Skill-Up	1,189	(1,189)	-	-
Wimbledon Foundation - Merton Step-Up	<u>-</u>	<u>5,141</u>	<u>-</u>	<u>5,141</u>
	959,764	(151,830)	178	808,112
TOTAL FUNDS	<u>1,101,637</u>	<u>(50,668)</u>	<u>-</u>	<u>1,050,969</u>

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

24. MOVEMENT IN FUNDS – Current Year

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	814,089	(744,669)	-	69,420
Pension fund	-	-	31,742	31,742
	<u>814,089</u>	<u>(744,669)</u>	<u>31,742</u>	<u>101,162</u>
Restricted funds				
Capacity Building - Trust for London	-	(2,222)	-	(2,222)
City Bridge Trust – Development Work	33,833	(40,415)	-	(6,582)
City Bridge Trust – Merton Giving	52,834	(52,730)	-	104
GLA – Young Londoners Network	39,900	(35,845)	-	4,055
LBM – Community Accountancy Support	40,275	(35,842)	-	4,433
LBM – Healthwatch	125,000	(124,174)	-	826
LBM – Quality Assurance	-	(12,438)	-	(12,438)
LBM – Your Merton Engagement	20,000	(20,000)	-	-
Merton Giving Grant Distribution Fund	265,420	(352,781)	-	(87,361)
Social Prescribing Project	-	(22,104)	-	(22,104)
Sutton and Merton CCG - MVSC 2025 fund	-	(34,493)	-	(34,493)
Wimbledon Foundation - Merton Skill-Up	6,667	(7,856)	-	(1,189)
Wimbledon Foundation - Merton Step-Up	20,500	(15,359)	-	5,141
	<u>604,429</u>	<u>(756,259)</u>	<u>-</u>	<u>(151,830)</u>
TOTAL FUNDS	<u>1,418,518</u>	<u>(1,500,928)</u>	<u>31,742</u>	<u>(50,668)</u>

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

24. MOVEMENT IN FUNDS – Previous Year

Comparative year information:

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
General fund	122,111	93,610	(14,565)	201,156
Pension fund	(70,242)	(3,606)	14,565	(59,283)
	<u>51,869</u>	<u>90,004</u>	<u>-</u>	<u>141,873</u>
Restricted funds				
Capacity Building - Trust for London	2,250	(28)	-	2,222
City Bridge Trust – Development Work	2,951	3,472	-	6,423
City Bridge Trust – Merton Giving	3,351	(1,393)	-	1,958
GLA – Young Londoners Network	2,329	1,253	-	3,582
LBM – Healthwatch	2,581	7,209	-	9,790
LBM – Merton Partnership Community Giving	47,167	-	(47,167)	-
LBM – Quality Assurance	15,744	(3,325)	-	12,419
Merton Giving Grant Distribution Fund	-	86,295	47,167	133,462
Social Prescribing Project	44,625	(15,066)	-	29,559
Sutton and Merton CCG - MVSC 2025 fund	759,160	-	-	759,160
Wimbledon Foundation - Merton Skill-Up	(122)	1,311	-	1,189
	<u>880,036</u>	<u>79,728</u>	<u>-</u>	<u>959,764</u>
TOTAL FUNDS	<u>931,905</u>	<u>169,732</u>	<u>-</u>	<u>1,101,637</u>

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

24. MOVEMENT IN FUNDS – Previous Year

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	745,901	(652,291)	-	93,610
Pension fund	-	-	(3,606)	(3,606)
	<u>745,901</u>	<u>(652,291)</u>	<u>(3,606)</u>	<u>90,004</u>
Restricted funds				
Capacity Building - Trust for London	13,500	(13,528)	-	(28)
City Bridge Trust – Development Work	61,500	(58,028)	-	3,472
City Bridge Trust – Merton Giving	54,917	(56,310)	-	(1,393)
GLA – Young Londoners Network	36,825	(35,572)	-	1,253
LBM – Healthwatch	125,000	(117,791)	-	7,209
LBM – Quality Assurance	-	(3,325)	-	(3,325)
Merton Giving Grant Distribution Fund	425,440	(339,145)	-	86,295
Social Prescribing Project	-	(15,066)	-	(15,066)
Sutton and Merton CCG - MVSC 2025 fund	-	-	-	-
Wimbledon Foundation - Merton Skill-Up	20,000	(18,689)	-	1,311
	<u>737,182</u>	<u>(657,454)</u>	<u>-</u>	<u>79,728</u>
TOTAL FUNDS	<u>1,483,083</u>	<u>(1,309,745)</u>	<u>(3,606)</u>	<u>169,732</u>

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

25. FUNDS

RESTRICTED FUNDS

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

Name of restricted fund	Description, nature and purposes of the fund
Capacity Building – Trust for London	To enhance the knowledge and skills of local BAME organisations with regards to housing, planning and regeneration issues, enabling them to better support their members and BAME residents to present and campaign on the issues that affect them. The underspend on this fund was used to continue the project work which was delayed by the pandemic.
City Bridge Trust – Development Work	This project provided organisational development support to voluntary sector organisations in the borough, to enable them to grow and maximise their impact upon the local community. This funding finished in October 2021.
City Bridge Trust – Merton Giving	This element of the City Bridge Trust funding provides funding to both MVSC and Merton Chamber of Commerce to jointly generate income and arrange subsequent grant funding rounds through the Merton Giving Fund. The funding targets and outcomes have been over-achieved as a result of the continued activity of the Merton Giving Coronavirus Fund and its successors.
Greater London Authority – Young Londoner Network Project	YLF Network project is a three-year programme supported by the Mayor of Londoners fund, aimed at building the capacity and quality of Voluntary Sector youth provision across the South West London sub-region. Through training, peer support, partnership and collaboration the programme seeks to ensure Young People across the sub-region have a variety of good quality activities and projects to participate in that will help them to achieve and develop into well balanced, civically active, adults. This project has been extended to 31 December 2022 by the funder.
LBM – Community Accounting Support	As part of the work done within the Merton Giving team, we have also supported organisations with community accountancy during the application process.
LBM - Healthwatch	Healthwatch is the consumer champion for health and social care services in Merton.
LBM – Merton Quality Assurance	We secured funding from London Borough of Merton to provide quality assurance and partnership support for the voluntary sector.
LBM – Your Merton Engagement	The London Borough of Merton undertook an extensive programme of engagement with citizens, partners, businesses and local VCS organisations to help develop a new long-term vision for the borough. Part of this programme was to ask VCS organisations to undertake engagement with their users, members and volunteers. Small grants were made available for VCS organisations who will be facilitating Your Merton engagement, and this was managed by MVSC.

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

25. FUNDS – continued

Name of restricted fund	Description, nature and purposes of the fund
Merton Giving Grant Distribution Fund	Current year grant funding was received from London Borough of Merton and The National Lottery Community Fund, along with donations from other charitable trusts, public donations and fundraising events. This funding was then used to support local organisations in the borough in the way of grants through the Merton Giving scheme.
Social Prescribing Project	Merton Council and Merton CCG provided MVSC with funding to run a project, which connected patients at three East Merton GP practices with services in the community provided by voluntary organisations. Grant funding ended in September 2019 and a new expanded social prescribing contract was negotiated with the CCG from October 2019. The remaining balance on the 2019 fund will be used for future work within Social Prescribing in the borough.
Sutton and Merton CCG - MVSC 2025 fund	These funds were transferred to MVSC in February and March 2020 from an 'umbrella' charity managed by the Sutton and Merton CCGs. The transferred funds will be managed by MVSC and channelled through Merton Giving as grants to voluntary organisations and other not-for-profit bodies within the Borough of Merton to provide services with a focus on supporting residents and patients accessing local health and wellbeing services. In particular MVSC will be promoting the development of social prescribing services throughout the borough and undertaking other activities, taking advice from the local Primary Care Networks.
Wimbledon Foundation – Merton Skill-Up	MVSC have provided a programme of targeted support to local organisations to improve their skills and knowledge in a range of areas, including governance and their ability to raise funds.
Wimbledon Foundation – Merton Step-Up	The Merton Step-up programme was conceived as a natural progression to the Merton Skill-up project (a capacity building project funded by Wimbledon Foundation for a three-year period). Its aim is to provide a coherent and structured framework to support organisations evolution and ratify that they have met at least a foundation level of quality in terms of organisational governance and service delivery. The pilot programme has been used to respond to inequalities exposed by the pandemic, engaging with small local organisations who have either themselves been disproportionately affected by the pandemic and/or whose beneficiaries have been so (these include three local community centres, two of who are new and the third is undertaking a fundamental review of their organisation). Eight organisations have been supported to date in the programme and Wimbledon Foundation have agreed funding to continue into the 2022/23 financial year.

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 31 MARCH 2022**

26. CAPITAL COMMITMENTS

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

27. CONTINGENT ASSETS

Total grant funding awarded as at 31 March but not yet received and recognised as income due to the recognition criteria not being met amounts to £200,995 (2021: £558,700).

28. LEGAL STATUS OF THE CHARITY

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

Accounts

REGISTERED COMPANY NUMBER: 04164949
REGISTERED CHARITY NUMBER: 1085867

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021
FOR
MERTON VOLUNTARY SERVICE COUNCIL**

MERTON VOLUNTARY SERVICE COUNCIL

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

	Page
Legal and administrative information	1
Report of the Trustees	2 to 12
Report of the Independent Auditor	13 to 15
Statement of Financial Activities	16
Balance Sheet	17
Cash Flow Statement	18
Notes to the Financial Statements	19 to 36
Detailed Income and Expenditure Account	37

MERTON VOLUNTARY SERVICE COUNCIL

LEGAL AND ADMINISTRATIVE INFORMATION FOR THE YEAR ENDED 31 MARCH 2021

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

04164949 (England and Wales)

Registered Charity number

1085867

Trading Name

Merton Connected

Registered office

The Vestry Hall
London Road
Mitcham
Surrey
CR4 3UD

Auditors

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

Bankers

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

Investments

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

Solicitors

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

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The Trustees (who are also directors of the charitable company for the purposes of the Companies Act 2006) are pleased to present their annual Trustees Report, together with the audited financial statements for the year ending 31 March 2021, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) and UK Generally Accepted Accounting Practice.

PRINCIPAL ACTIVITY

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

Public Benefit

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

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

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

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

Appointment of new Trustees

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

Trustee recruitment and induction

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

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT - continued

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

All Trustees give their time voluntarily and receive no benefits from the Charity apart from reimbursed expenses set out in Note 11 in the accounts. The Trustees serving during the year and to the date of this report were as follows: -

Susanette Mansour	Resigned 19 March 2021
Brian Dillon	Chair from 19 March 2021
Nuzhat Ali	Resigned 19 March 2021
Abisola Fafolu	
Barbara Price	Resigned 19 March 2021
Ben Wilkins	Treasurer from 19 March 2021
Annie Wilson	
Robert Lightfoot	
Wendy Pridmore	
Kate Wignall	Appointed – 19 March 2021

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

Management of MVSC

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

Senior Management Team

Simon Shimmens	Chief Executive Officer
Adwoa Fadahunsi	Head of Development and Volunteering
Dave Curtis	Head of Healthwatch Merton
Ben Halschka	Head of Social Prescribing

Pay policy for the Senior Management Team

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

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

Related parties and co-operation with other organisations

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

Use of volunteers

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

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT – continued

Risk and internal control

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

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

The Risk Register includes both strategic and operational risks. Examples of strategic risks are stability and security of funding streams, adequacy of cash flow, impact of Covid-19 across all aspects of MVSC activities, financial challenges arising from future government spending reviews and in particular the impact of Brexit on government grant funding. The current risk register was updated 6 November 2020 and is due for review at the next Board meeting in December 2021.

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

AIMS

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

Our key aims for the year were to very much to continue existing key aims:

- Work even more collaboratively with our strategic partners to support volunteering activity, with a focus on supporting pandemic related needs of residents and voluntary, community and faith organisations
- After success of achieving the year 2 Clinical Commissioning Group (CCG) Social Prescribing in all 6 Primary Care Network (PCN) areas of the borough, to continue to position MVSC in a strong position to win future contracts beyond year 2
- Continue contributing fully as an active member of the Merton Health and Care Together Board and look to play a key role in the Integrated Care Contract (ICS) work that will develop looking towards March 2023
- Progress the delivery of practical steps to open the Wellbeing Hub at the Wilson Hospital, in partnership with Steering Group, the CCG and Public Health
- Position Healthwatch Merton as an exemplar consumer health champion
- Continue to provide support to existing organisations and help the creation of new voluntary sector organisations, to strengthen and capacity build the voluntary, community and faith sector in Merton for the benefit of the residents they serve.

Our strategic aims looking forward to 2021/2022 were summarised in the MVSC Annual Review (2019-2021) as follows:

- **ENGAGEMENT** – Promote dialogue, listening and act for the voluntary sector
- **INFLUENCE** - Ensure community need are integrated into future commissioning of services
- **DEVELOPMENT** - Improve capacity and capability to enable the sector to emerge strongly from the pandemic

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRATEGIC DIRECTION

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

Trustee Board

Following a number of planned resignations and retirements at the 2019/20 AGM held on 19 March 2021 the Board has been looking to maintain its diversity and collective strength. One new trustee, Kate Wignall, was formally appointed at the AGM. Further recruitment activity for new trustees will be ongoing through the 2021.

Susanette Mansour stood down at the AGM from her position as Chair. Brian Dillon, the current Treasurer, was voted by the AGM to take on that role to devise and supervise an orderly process for the recruitment in due course of a new Chair.

Ben Wilkins was voted as Treasurer to replace Brian Dillon while Brian carries out the role of Chair.

New Trading Name for MVSC

A project was progressed during the year, working with the Trustee Board and the staff team, to consider re-branding MVSC after celebrating 35 years. As a result of the process Merton Connected was agreed to become the trading name of MVSC from April 2021. MVSC remains the legal entity and there is no intention to change this in the short term. In parallel with this, as mentioned in last year's report, a new website and database has been produced, launched in conjunction with the new trading name.

Wilson Wellbeing initiative

MVSC continues to support the plans to create a wellbeing hub on the Wilson Hospital site in Mitcham. It has key influence as a member of the Wilson Steering Group and provides a bank account to handle funds made available to progress the initiative. Considerable refurbishment of the wellbeing space took place in late 2020 prior to the pandemic requiring the space as a vaccination centre. The refurbished wellbeing space has had the benefit of providing a very positive experience for residents being vaccinated.

Social Prescribing

MVSC were successful in being awarded a year 2 contract in October 2020 for the team of 9 Social Prescribers supporting the 22 GP surgeries in the borough. The Social Prescribing team have modified their service during the pandemic, providing a largely over the phone service to patients.

Merton Community Hub

The Merton Community Response Hub was established on 23rd March 2020 to help isolated households and those at risk from Covid-19. MVSC, Wimbledon Guild, Age UK Merton and London Borough of Merton (LBM), plus local voluntary sector organisations, provided a helpline to support residents with services including:

- Support with shopping and basic supplies
- Help to get prescriptions and medication
- Telephone befriending
- Support to get advice on money and benefits
- Advice and practical help to stay active and independent at home.

LBM initially provided funding for the first year and subsequent funding has been provided to continue the Community Hub service for a second year.

Merton Giving Fund

In April 2020 the Merton Giving Coronavirus Fund was instigated to support local voluntary, community and faith organisations to adapt to Covid-19 restrictions and the challenges they were facing as a result of the pandemic. A total of 24 grant panels were held between April 2020 and March 2021, distributing £338,162 via 106 grants to 68 organisations. See Note 7.1 for full details.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENT AND PERFORMANCE

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

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

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

- Using the reach of our website and regular e-bulletin, Merton Connected which has a distribution of over 4000, to ensure voluntary and community sector organisations are kept up to date with local news, funding and volunteering opportunities.
- Provision of over 800 hours of one to one support sessions to local voluntary, community and faith sector organisations on a variety of topics including, governance, safeguarding, income generation and quality standards.
- Supporting organisations to achieve over £420,000 of funding from a range of funders.

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

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

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

Identify changing and emerging need and respond with development:

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

- Continuing to provide a comprehensive support service to new and established organisations, covering a wide range of operational management and governance issues, enabling existing and newly formed organisations to thrive and succeed.
- Contributing and influencing policy at borough level and across the wider health agenda locally, representing the views and issues of the sector, by senior team member presence on key boards, such as the Merton Health and Care Together Board.
- Continuing to strengthen links between the business sector and their community through the development of our Merton Giving programme, including using it as a vital source of over £338,000 of funding to voluntary and community sector organisations impacted by the Covid-19 pandemic.

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

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

- Coordinating INVOLVE providing opportunities for networking and sharing information and best practice for the Voluntary Sector. Helping to lead innovation in the sector and opportunities for co-commissioning of future services.
- Working in partnership with 6 key voluntary sector organisations to successfully build and run the Community Hub in conjunction with the LBM and CCG teams.
- Supporting partnership and collaborative working between voluntary and public sector organisations. For example, taking a lead role in the Lunch Club/Community Café initiative and how it links to wider food provision at borough level.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENT AND PERFORMANCE - continued

Healthwatch

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

- **Reaching out** – 5,255 people engaged with us this year through social media, E-bulletins, planned sessions, with us at online community events and through using our website to find the advice and information they need and to be involved in local discussions.
- **Healthwatch Merton our hidden work**– to keep our finger on the pulse and enable us to give local people's voice a true platform at strategic and decision-making level locally; our team have been part of and/or attended over 30 uniquely different high-level board meetings/ committees/ task groups/ planning meetings etc. in the last year to keep local people's voice/ engagement top of the agenda.
- **Making a difference** - We published 2 reports and provided 12 well received monthly E-bulletins with a total of 4,496 unique opens all containing a wealth of information on local and wider key information, promotion of events, health and social care wellbeing sessions, development and improvements, engagement opportunities, and much more.

Social Prescribing

MVSC has been delivering and developing the Social Prescribing model since 2016. 2020/2021 highlights include:

- Successful award of a year 2 Social Prescribing contract with all 6 Primary Care Networks (PCN's) representing 22 GP practices confirming their desire for further Social Prescribing delivery by MVSC.
- The Social Prescribing team has successfully worked remotely during lockdown, including coordinating emergency prescriptions for residents who were self-isolating due to the Covid-19 pandemic. 288 households got access to prescriptions and medication during lockdown. The team also provided continuing support to patients, predominantly remotely via telephone.
- Over 5,900 welfare calls were made to patients in support of individual GP surgery needs. Data and feedback from patients on the impact of Social Prescribing reflected that the service produced a 77% increase in patients wellbeing

CURRENT PERFORMANCE PRIORITIES

The Covid-19 pandemic impacted throughout the financial year, which heavily influenced short-term priorities, including:

- Continued support of the Community Response Hub in conjunction with LBM, CCG and voluntary sector partners to support needs of residents during lockdown, including via supporting Age UK Merton and Wimbledon Guild to be successful in being awarded a contract to run these services from June 2021.
- Significant further work to support the Merton Giving Coronavirus fund to support local voluntary, community and faith groups. As of March 2021, £338,162 was awarded to 68 organisations via 106 grants. To also achieve a £150,000 grant from National Lottery Community Fund as part of ongoing funding to be able to launch Phase 3 of the Merton Giving Fund from June 2021.
- To take the Voluntary, Community and Faith sector lead for the Integrated Care System (ICS), due to be implemented in April 2023. To represent the best interests of the sector by being part of the Transition Team, plus organizing communications and forums to inform and listen to sector concerns and opportunities.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

FUTURE PLANS

MVSC's Mission

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

MVSC's Objects are:

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

The impact of the pandemic on the voluntary sector has remained significant during the last financial year, with many services unable to operate during lockdown periods and with continued restrictions. MVSC has continued to focus its efforts and resources to support the sector, with continued Development and Volunteering team support, the continued activity of Healthwatch Merton and providing flexibility in the way the Social Prescribing team continue to support GP surgery teams and patients. In addition, the resource investment in the Community Hub and the Merton Giving scheme have provided important support for residents and organisations.

On a very positive note, the impact of voluntary sector organisations, volunteers and the way MVSC can communicate and engage with the sector has been widely recognized as a strength within the borough, with key funders of the sector such as LBM and CCG publicly valuing the contribution of the sector, with intention to help develop community based services which the voluntary sector provide as a key part of a preventative layer of support for residents.

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

Following the Trustee Strategy event on 25 September 2020 strategic planning for the 2020/21 financial year and beyond included confirming the underpinning aims of MVSC to:

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

Appreciating that strategic outcomes may need to continue to be flexible due to the continuing impact of the pandemic, the key outcomes from 2020/21 remain for the 2021/22-year, namely:

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

The overarching themes of Leadership, Partnership and Innovation, combined with recent experience of working even more closely in partnership with other organisations, has provided a useful blueprint for the coming year, albeit that the ability to plan accurately will be influenced by the continued impact of the pandemic. ICS will affect the sector over the coming years and importantly, MVSC is positioned at the 'top table' (transition team) to represent the sector.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

Financial Statements

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

Statement of Financial Activities

The Statement of Financial Activities is shown on page 16 with a more detailed analysis of income and expenditure within the notes to the financial statements. Total incoming resources for the year increased to £1,483,083 (2020: £1,578,878). Grants and contract income for this year was £1,367,568 (2020: £1,543,018) this is split between £669,066 (2020: £1,136,658) restricted funding, £698,502 (2020: £406,360) unrestricted funding and also a range of grants funds which MVSC manages on behalf of the public sector, including holding and distributing funds. The total of these grant for distribution to third parties is recognised as restricted income, however it is worthwhile noting that these funds are not used in direct charitable expenditure rather given to organisations as grants. During this year the total of this income was £357,324 (2020: £799,160).

Donations this year have increased significantly to £68,171 (2020: £525) due to the Covid-19 pandemic and the fundraising efforts made within our Merton Giving scheme, which is run in partnership with the Merton Chamber of Commerce.

The total expenditure for the year was £1,309,745 (2020: £779,930). The increase of £529,815 is attributable primarily to the significant number of Grants Given to Local Organisations of £338,162 (2020: £36,884), details of which can be seen in Note 7.1, Direct Project Costs £94,593 (2020: £76,343) and an increase in staff costs of £210,666.

Balance Sheet

The net effect of the above has led to an operating surplus of £173,338 before unrealised actuarial loss of £3,606 (2020: operating surplus of £798,948 before unrealised actuarial gains of £827). Overall reserves are £1,101,637 (2020: £931,905) with unrestricted reserves being £141,873 (2020: £51,869) after providing for the defined benefit pension liability of £59,283 as at 31 March 2021. This represents a significant improvement on the prior year.

Restricted Reserves - £959,764

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

The largest restricted balance item at 31 March 2021 is the MVSC 2025 Fund (£759,160) – received towards the previous financial year-end from the Sutton & Merton CCG's Charitable Fund. Expenditure from this Fund will be small grants and assistance to local voluntary organisations providing services within the Borough of Merton to residents and patients. This programme, managed through Merton Giving, is planned to start in the autumn of 2021. Full details of all restricted funds can be seen in Notes 23 and 24.

Unrestricted reserves - £141,873

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

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

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

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Reserves Policy

The Board of Trustees reviews the reserves policy annually and seeks to maintain a minimum balance of unrestricted reserves equivalent to six months of budgeted core net operating costs (including the uncovered pension deficit under FRS102). This equals £92,300 for this financial year.

Currently unrestricted reserves at the year-end stand at £201,156 less £59,283 set aside for the future pension liability repayments, giving a net unrestricted free reserves figure of £141,873, a surplus of £49,573 over the target unrestricted reserves figure for this financial year.

This surplus will ensure that MVSC can continue to provide guidance and assistance to the local community and achieve future growth in line with MVSC's strategic and sustainability plans,

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

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

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

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

The Board of Trustees will continue to monitor the effectiveness of its Reserves Policy so that it remains relevant to its current and future position. The next review of the reserves policy will be undertaken at the February 2022 Board meeting, however given the current Covid-19 pandemic, the Trustees are constantly reviewing the Charity's reserve and cash flow levels.

Details of the various reserves and their movements are set out in more detail in Note 23, 24 and 25 on pages 30 to 36.

Going Concern

The Board of Trustees is of the view that forecast expenditure to 31 March 2022 will be fully funded from currently approved grants and contracts and from reasonably expected future funding from the same and similar sources. The Board also notes the increased cover available from MVSC's reserves. This view has been taken in the wider context of a slowly improving local and national economy as the country emerges from the Covid-19 restrictions and post-Brexit issues are resolved.

Looking further ahead into 2022, 12 months from the date of the Audit of the 2020/21 Accounts as required by International Standards on Auditing ISA 570 (Revised), the Board of Trustees remains confident that the Council and the local NHS funding bodies will continue to commission MVSC to provide specific direct services to the local community. Examples are the current Healthwatch and Social Prescribing services agreements and, with partner organisations, provision of the Merton Community Hub service

Secondly MVSC is directly funded by the Council to provide business and funding advice to front-line voluntary organisations who can better reach and provide services to vulnerable local communities and individuals. The Board of Trustees is confident that this funding will continue throughout 2022/23.

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW - continued

Investment Policy and Objectives

The Board of Trustees seeks to retain a prudent sum of cash in the Bank Current Account sufficient to cover two months gross income on unrestricted activities and one month's income on restricted activities. For 2020/21 this required an average balance £150,000. The excess over this sum was placed in a short-term investment account, which offered more security than a current account and a marginally better rate of interest. Current account cash is managed to ensure availability to meet the short-term net budgeted expenditure needs and grant giving requirements.

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

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

Grant making policy

The Charity makes grants to a wide range of organisations who are either based in the London Borough of Merton and neighbouring or adjoining areas or have strong relationships in these areas with a proven track record of benefitting residents. We are particularly keen to help grassroots community groups and small-to-medium-sized voluntary organisations. We would always consider a proposal that has the potential to achieve substantial impact in our community and furthers our charitable objectives.

The Charity is not solely a grant making organisation. To ensure proper governance, the Board of Trustees have developed a grant making policy that sets out the principles, criteria and processes that govern how the Charity defines and makes grants. This includes when and to whom authority for making grants may be delegated and how information is reported back to the Board of Trustees.

All grant programmes are administered through Merton Giving, the organisation's charitable initiative with the Merton Chamber of Commerce. This initiative gives both groups applying for funding, and donors making contributions, a single point of reference. Criteria and process are described for each grant programme on Merton Giving's website and decisions are made by delegated panels to published timelines. <https://mertongiving.co.uk>

MERTON VOLUNTARY SERVICE COUNCIL

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Trustees Responsibilities

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

Company law requires the Charity's Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the Financial statements unless they are satisfied they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP 2019 (FRS102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement as to Disclosure of Information to Auditors

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

Auditors

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

Small Companies

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

Approved on behalf of the Board of Trustees on 5 November 2021

Brian Dillon - Chair and Trustee

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

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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 of opinion

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

Conclusions relating to going concern

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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Enquiry of management and those charged with governance about actual and potential litigation or claims and the identification of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including testing journal entries and other adjustments for appropriateness; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Professional scepticism in course of the audit and with audit sampling in material audit areas.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 auditor's report.

Use of our report

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

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

19 November 2021

MERTON VOLUNTARY SERVICE COUNCIL

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted Funds £	Restricted Funds £	2021 Total Funds £	2020 Total Funds £
INCOME					
Donations	2	55	68,116	68,171	525
Income from charitable activities	5				
Grants and contracts		698,502	669,066	1,367,568	1,543,018
Other trading activities					
Other income	4	46,899	-	46,899	34,464
Investments	3	445	-	445	871
Total Income		745,901	737,182	1,483,083	1,578,878
EXPENDITURE					
Charitable activities:	6				
Expenditure on Activities		652,291	657,454	1,309,745	779,930
Total Expenditure		652,291	657,454	1,309,745	779,930
Operating Surplus		93,610	79,728	173,338	798,948
Actuarial (losses)/gains on defined benefit scheme	14	(3,606)	-	(3,606)	827
NET INCOME		90,004	79,728	169,732	799,775
Transfers between funds		-	-	-	-
NET MOVEMENT IN FUNDS	24	90,004	79,728	169,732	799,775
RECONCILIATION OF FUNDS					
TOTAL FUNDS BROUGHT FORWARD	24	51,869	880,036	931,905	132,130
TOTAL FUNDS CARRIED FORWARD		141,873	959,764	1,101,637	931,905

All income and expenditure is derived from continuing activities.

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

The notes on pages 19 to 36 form part of these financial statements

MERTON VOLUNTARY SERVICE COUNCIL

**BALANCE SHEET
AT 31 MARCH 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible assets	16	16,140	-
Tangible assets	17	<u>1,272</u>	<u>2,543</u>
		17,412	2,543
CURRENT ASSETS			
Debtors	18	206,419	112,230
Cash at bank		<u>1,143,336</u>	<u>1,061,867</u>
		1,349,755	1,174,097
LIABILITIES			
Creditors: Amounts falling due within one year	19	(221,249)	(189,058)
NET CURRENT ASSETS		<u>1,128,506</u>	<u>985,039</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,145,918	987,582
PENSION LIABILITY	20	(44,281)	(55,677)
NET ASSETS		<u><u>1,101,637</u></u>	<u><u>931,905</u></u>
TOTAL FUNDS OF THE CHARITY	23/24		
Unrestricted funds		141,873	51,869
Restricted funds		<u>959,764</u>	<u>880,036</u>
TOTAL FUNDS		<u><u>1,101,637</u></u>	<u><u>931,905</u></u>

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

Approved by the Board of Trustees on **5 November 2021** and signed on its behalf by:

.....
Brian Dillon - Chair and Trustee

.....
Ben Wilkins – Honorary Treasurer and Trustee

The notes on pages 19 to 36 form part of these financial statements

MERTON VOLUNTARY SERVICE COUNCIL

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
Net cash provided by operating activities	<u>97,164</u>	<u>806,572</u>
	97,164	806,572
Cash flows from investing activities		
Interest from Investments	445	871
Purchase of intangible assets	<u>(16,140)</u>	<u>-</u>
Net cash provided by investing activities	<u>(15,695)</u>	<u>871</u>
	81,469	807,443
Cash and cash equivalents at the start of the year	<u>1,061,867</u>	<u>254,424</u>
Cash and cash equivalents at the end of the year	<u>1,143,336</u>	<u>1,061,867</u>
 Reconciliation of net movement in funds to net cash flow from operating activities		
	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	169,732	799,775
Adjustments for:		
Add back depreciation charge	1,271	1,777
Interest from investments	(445)	(871)
(Increase) in debtors	(94,189)	(41,428)
Increase in creditors	32,191	62,711
(Decrease) in pension charge	<u>(11,396)</u>	<u>(15,392)</u>
Net cash used in operating activities	<u>97,164</u>	<u>806,572</u>
Analysis of cash and cash equivalents		
	2021 £	2020 £
Bank and cash in hand	<u>1,143,336</u>	<u>1,061,867</u>
Total cash and cash equivalents	<u>1,143,336</u>	<u>1,061,867</u>

The notes on pages 19 to 36 form part of these financial statements

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Company status

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

Basis of preparation

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

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

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

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

Preparation of the accounts on a going concern basis

The financial statements are prepared on a going concern basis under the historical cost convention modified to include certain items at fair value. The Trustees have made this assessment considering the Charity's unrestricted reserves, secured funding going forward and current and planned activities.

Income

All income is recognised in the Statement of Financial Activities when the Charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received, and the amount can be measured reliably. Income received in advance of a project or other specified service is deferred until the criteria for income recognition are met (see Note 21)

Expenditure and irrecoverable VAT

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

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

Donated services and facilities

Donated professional services and donated facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP 2019 (FRS 102), the general volunteer time contributed is not recognised and refer to the Trustees' annual report for more information about their contribution.

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

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

Allocation of support costs

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

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

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES – continued

Pension costs and other post-retirement benefits

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

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

Interest receivable

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

Fund accounting

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

Corporation Taxation

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

Intangible fixed assets

Intangible fixed assets include the development of a new website and database. The estimated useful years and amortisation method of the intangible assets are calculated on a straight-line basis as follows:

Asset Category	Annual Rate
Website	20% on cost
Database	20% on cost

Tangible fixed assets

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

Asset Category	Annual Rate
Computer and office equipment	33% on cost

Debtors

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

Cash at bank in hand

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

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial instruments

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

Operating leases

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

MERTON VOLUNTARY SERVICE COUNCIL**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021****2. INCOME FROM DONATIONS AND LEGACIES**

	2021	2020
	£	£
Donations	<u>68,171</u>	<u>525</u>
	<u>68,171</u>	<u>525</u>

Income from Donations was £68,171 (2020: £525) of which £55 was unrestricted (2020: £525) and £68,116 was restricted (2020: £nil).

3. INVESTMENT INCOME

	2021	2020
	£	£
Interest received	<u>445</u>	<u>871</u>

All of the Charity's investment income of £445 (2020: £871) arises from money held in interest bearing deposit accounts and is unrestricted.

4. INCOME EARNED FROM OTHER ACTIVITIES

	2021	2020
	£	£
Fayre & Square takings	-	4,948
Service Income	41,107	24,124
Other income	<u>5,792</u>	<u>5,392</u>
	<u>46,899</u>	<u>34,464</u>

Income earned from other activities was £46,899 (2020: £34,464) of which £46,899 was unrestricted (2020: £34,464) and £nil was restricted (2020 £nil).

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021**

5. INCOME FROM CHARITABLE ACTIVITIES

Grants and contract received are as follows:

	2021	2020
	£	£
Unrestricted		
Community Links Bromley	8,000	-
Good Things Foundation Contract	5,913	-
LBM – Covid-19 Community Response Hub	38,689	-
LBM – Notional Rent	37,949	37,949
LBM – Strategic Partner Fund Contract	175,000	175,000
LBM – Volunteering in Libraries Contract	17,750	17,750
Merton Clinical Commissioning Group – Social Prescribing Contract	410,701	172,661
Others	<u>4,500</u>	<u>3,000</u>
	<u>698,502</u>	<u>406,360</u>
Restricted – Project based		
City Bridge Trust – Development Work Grant	61,500	26,667
City Bridge Trust – Merton Giving Grant	54,917	23,750
GLA – Young Londoners Fund Local Networks Grant	36,825	39,900
Merton Clinical Commissioning Group – Community Navigator Grant	-	20,184
Merton Clinical Commissioning Group – Social Prescribing Grant	-	49,997
LBM – Healthwatch Grant	125,000	125,000
Clarion Futures – Youth Action Grant	-	5,000
Trust for London Grant	13,500	27,000
Wimbledon Foundation Grant	<u>20,000</u>	<u>20,000</u>
	311,742	337,498
Restricted - Grants for third parties		
Clarion Futures	40,000	-
LBM – Merton Partnership Community Giving Grants	262,324	40,000
Moat Homes Limited	25,000	-
Sutton and Merton CCGs' Charitable Funds	-	759,160
Wimbledon Foundation	<u>30,000</u>	<u>-</u>
	357,324	799,160
Total Restricted	<u>669,066</u>	<u>1,136,658</u>
Total Income from Charitable Activities	<u>1,367,568</u>	<u>1,543,018</u>

MVSC manages a range of grant funds on behalf of the public sector, including holding and distributing funds. The total of these grant funds is recognised in restricted income, shown above, however it is worthwhile noting that these funds are not used in direct charitable expenditure rather given to organisations as grants. During this year the total of this income was £357,324 (2020: £799,160).

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021**

6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Charitable Expenditure	Support Costs	Total	Total
	2021	2021	2021	2020
	£	£	£	£
General Activities	626,515	25,776	652,291	405,739
City Bridge Trust – Development Work	54,611	3,417	58,028	23,716
City Bridge Trust – Merton Giving	53,100	3,210	56,310	20,399
Clarion Futures – Youth Action	-	-	-	6,338
Community Navigator	-	-	-	20,184
Greater London Volunteering – Young Londoner	30,742	4,830	35,572	37,571
LBM - Healthwatch	96,627	21,164	117,791	131,363
LBM – Healthy Schools Events	-	-	-	879
Merton CCG – Social Prescribing	15,066	-	15,066	57,012
LBM - Quality Assurance	3,325	-	3,325	-
LBM - Youth Action/Volunteering	-	-	-	3,717
Trust for London	12,820	708	13,528	25,499
Voluntary Sector Small Grant Development	339,145	-	339,145	26,884
Wimbledon Foundation Enable & Connect	-	-	-	507
Wimbledon Foundation	18,689	-	18,689	20,122
	<u>1,250,640</u>	<u>59,105</u>	<u>1,309,745</u>	<u>779,930</u>

Of the total expenditure of £1,309,745 (2020: £779,930), £657,454 was in respect of restricted funds (2020: £374,191) and £652,291 was in respect of unrestricted funds (2020: £405,739).

7. DIRECT CHARITABLE EXPENDITURE

	2021	2020
	£	£
Staff and related costs	715,189	500,266
Direct Project costs	94,593	76,343
Grants Given (details Note 7.1)	338,162	36,884
Premises and hall hire costs	42,450	50,174
Office costs	37,647	31,467
Professional fees and other costs	<u>22,599</u>	<u>74</u>
	<u>1,250,640</u>	<u>695,208</u>

MERTON VOLUNTARY SERVICE COUNCIL**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021****7.1. GRANTS GIVEN**

The following institutions were given cumulative grants in the year:

	2021	2020
	£	£
Accoutre Centre for Learning	5,000	-
AFC Wimbledon Foundation	10,415	-
African Educational Cultural Health Organisation	5,000	-
Ashdon Jazz Academy	6,789	-
Association for the Polish Family	5,400	-
ATS Creative Academy CIC	5,158	-
Attic Theatre Company	6,385	-
Commonside Community Development Trust	7,160	-
Ethnic Minority Centre	8,254	-
Fayre & Square Wimbledon	7,515	-
Focus 4 1	5,000	-
Hearts and Mind	15,000	-
Inner Strength Network CIC	5,000	-
Jigsaw4U	11,695	-
Lantern Arts Centre	7,315	-
Maggie's at the Royal Marsden	6,720	-
Merton and Mitcham Division Girlguiding	5,000	-
Merton and Morden Guild	8,500	-
Merton Centre for Independent Living	5,386	-
Merton Community Transport	21,756	-
Merton Home Tutoring Services	5,000	-
Mitcham Town Community Trust	6,500	-
MSJ Student Charity	8,176	-
Positive Network Community Project	10,000	-
Sherwood Park Hall CIC	8,407	-
Somali Community CIC	9,678	-
South London Tamil Welfare Group	6,045	-
Sustainable Merton	10,000	-
Tooting and Mitcham Community Sports Club Ltd	12,500	-
Unique Talent	6,800	-
Small grants of up to £5,000 were made to 39 institutions (2020:29)	96,608	36,884
	<u>338,162</u>	<u>36,884</u>

MERTON VOLUNTARY SERVICE COUNCIL**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021****8. SUPPORT COSTS**

	2021	2020
	£	£
Staff and related costs	30,193	46,675
Premises and hall hire costs	2,405	7,187
Office costs	11,309	6,963
Professional fees and other costs	11,907	20,155
Governance costs	<u>3,291</u>	<u>3,742</u>
	<u>59,105</u>	<u>84,722</u>

9. GOVERNANCE COSTS

	2021	2020
	£	£
Audit fees	3,024	3,024
Committee & Strategic Planning costs	<u>267</u>	<u>718</u>
	<u>3,291</u>	<u>3,742</u>

10. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging/(crediting):

	2021	2020
	£	£
Audit fees	3,024	3,024
Operating lease rentals	41,857	41,857
Depreciation	<u>1,271</u>	<u>1,777</u>

11. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	577,773	403,677
Social security costs	51,286	19,439
Pension costs	<u>24,927</u>	<u>20,204</u>
	<u>653,986</u>	<u>443,320</u>

No employee had employee benefits in excess of £60,000 (2020: Nil). Pension costs are allocated to activities in proportion to the related staffing costs incurred.

The Charity Trustees were not paid or received any other benefits from employment with the Charity in the year (2020: £nil) neither were they reimbursed expenses during the year (2020: £nil). No Charity trustee received payment for professional or other services supplied to the Charity (2020: £nil).

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

The total employee remuneration of the key management personnel of the Charity was £66,897 (2020: £55,889). Under FRS 102, total employee benefits include gross pay, benefits in kind, employer's national insurance contributions and employers pension costs.

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED FOR THE YEAR ENDED 31 MARCH 2021

12. STAFF NUMBERS

The average monthly number of employees (including casual and part time staff) during the year was as follows:

	2021 Numbers	2020 Numbers
Senior Management Team	4	4
Other Direct Charitable Staff	<u>14</u>	<u>10</u>
	<u>18</u>	<u>14</u>

13. TRANSACTIONS AND RELATED PARTIES

There were no related party transactions during the year or the previous year, other than the remuneration of key management personnel set out in Note 11.

14. PENSION COSTS

The charitable company has a defined contribution pension scheme, which all employees are entitled to join. Previously, the charitable company operated a defined benefit scheme, which is now closed to new members. This is a multi-employer scheme operated by TPT Retirement Solutions and, whilst it is not possible to estimate the share of the assets and liabilities of the scheme attributable to Merton Voluntary Service Council, TPT Retirement Solutions has estimated that the employers' debt on withdrawal liability at the most recent annual funding update of 30 September 2020 would have been £175,666. (30 September 2019: £188,562).

Every three years, the Trustee of TPT Retirement Solutions undertakes a full valuation of the Plan and makes a thorough assessment of the funding position before undertaking any action as deemed appropriate. A full actuarial valuation for the scheme was carried out at 30 September 2020 and it reported that the Plan's deficit had reduced to £33.3m from £57.6m.

The Trustee, following advice from the Actuary, has now implement a new recovery plan. Under the new plan, the total deficit contributions due from employers will reduce from 1 April 2022 and each employer's share of the new amount will continue to be based on its own percentage share of the Plan's liabilities. The deficit contributions will be £3.98m per annum from 1 April 2022. No annual increase will be applied to these contributions and the recovery plan will remain unchanged, with an end date of 31 January 2025.

The Charity's Trustees consider that it is unlikely that any liability will crystallise in relation to this in the foreseeable future. Under FRS102, provision is required for the net present value of any agreed deficit recovery plan contributions relating to the Plan.

During the year ended 31 March 2021, payments have continued to be made in accordance with this plan and the provision for the net present value of deficit contributions was £59,283 (2020: £70,242).

MERTON VOLUNTARY SERVICE COUNCIL**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021****14. PENSION COSTS - continued**

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

	2021	2020
	£	£
Net interest from net defined asset/liability	<u>1,579</u>	<u>1,078</u>
	<u>1,579</u>	<u>1,078</u>

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

	2021	2020
	£	£
Defined benefit obligation	(70,242)	(85,210)
Contribution by scheme participants	14,565	14,141
Interest Cost	(1,579)	(1,078)
Re-measurement from changes in financial assumptions	<u>(2,027)</u>	<u>1,905</u>
	<u>(59,283)</u>	<u>(70,242)</u>

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

	2021	2020
	£	£
Actuarial (losses)/gain from changes in financial assumptions	<u>(3,606)</u>	<u>827</u>
	<u>(3,606)</u>	<u>827</u>

	2021	2020
	£	£
Discount rate	<u>0.66%</u>	<u>1.39%</u>

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

15. CORPORATION TAX

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

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021**

16. INTANGIBLE FIXED ASSETS

	Website £	Database £	Totals £
COST			
At 1 April 2020	-	-	-
Additions	<u>10,200</u>	<u>5,940</u>	<u>16,140</u>
At 31 March 2021	<u>10,200</u>	<u>5,940</u>	<u>16,140</u>
AMORTISATION			
At 1 April 2020	-	-	-
Charge for year	<u>-</u>	<u>-</u>	<u>-</u>
At 31 March 2021	<u>-</u>	<u>-</u>	<u>-</u>
NET BOOK VALUE			
At 31 March 2021	<u>10,200</u>	<u>5,940</u>	<u>13,080</u>
At 31 March 2020	<u>-</u>	<u>-</u>	<u>-</u>

17. TANGIBLE FIXED ASSETS

	Computer & Office equipment £	Totals £
COST		
At 1 April 2020	36,601	36,601
Additions	<u>-</u>	<u>-</u>
At 31 March 2021	<u>36,601</u>	<u>36,601</u>
DEPRECIATION		
At 1 April 2020	34,058	34,058
Charge for year	<u>1,271</u>	<u>1,271</u>
At 31 March 2021	<u>35,329</u>	<u>35,329</u>
NET BOOK VALUE		
At 31 March 2021	<u>1,272</u>	<u>1,272</u>
At 31 March 2020	<u>2,543</u>	<u>2,543</u>

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021**

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	121,033	97,104
Accrued Income	55,008	-
Prepayments	<u>30,378</u>	<u>15,126</u>
	<u>206,419</u>	<u>112,230</u>

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	68,456	7,842
Funds held on behalf of other organisations	24,782	38,069
Other creditors	3,097	4,666
Grant holding account	-	35,330
Accrued expenses	3,183	6,541
Deferred income	106,729	82,045
Pensions	<u>15,002</u>	<u>14,565</u>
	<u>221,249</u>	<u>189,058</u>

20. CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR

	2021	2020
	£	£
Pension liabilities	<u>44,281</u>	<u>55,677</u>
	<u>44,281</u>	<u>55,677</u>

21. DEFERRED INCOME

	Balance Brought Forward	Applied In Year	Deferred In Year	Balance Carried Forward
	£	£	£	£
Deferred Income	<u>82,045</u>	<u>(113,711)</u>	<u>138,395</u>	<u>106,729</u>
	<u>82,045</u>	<u>(113,711)</u>	<u>138,395</u>	<u>106,729</u>

22. OPERATING LEASE COMMITMENTS

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

	2021	2020
	£	£
Expiring:		
Within one year	41,857	41,857
Between one and five years	101,154	143,011
More than five years	<u>-</u>	<u>-</u>
	<u>143,011</u>	<u>184,868</u>

The above commitments include service charges as well as rent.

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021**

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current year information for the net assets between funds:

	Unrestricted Funds	Restricted Funds	2021 Total Funds	2020 Total Funds
	£	£	£	£
Fixed assets	16,140	1,272	17,412	2,543
Current assets	240,195	1,109,560	1,349,755	1,174,097
Current liabilities	(55,179)	(151,068)	(206,247)	(174,493)
Pension liability < 1 year	(15,002)	-	(15,002)	(14,565)
Pension liability > 1 year	(44,281)	-	(44,281)	(55,677)
	<u>141,873</u>	<u>959,764</u>	<u>1,101,637</u>	<u>931,905</u>

Comparative year information for the net assets between funds:

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

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021**

24. MOVEMENT IN FUNDS – Current Year

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
Unrestricted funds				
General fund	122,111	93,610	(14,565)	201,156
Pension fund	<u>(70,242)</u>	<u>(3,606)</u>	<u>14,565</u>	<u>(59,283)</u>
	51,869	90,004	-	141,873
Restricted funds				
Capacity Building - Trust for London	2,250	(28)	-	2,222
City Bridge Trust – Development Work	2,951	3,472	-	6,423
City Bridge Trust – Merton Giving	3,351	(1,393)	-	1,958
GLA – Young Londoners Network	2,329	1,253	-	3,582
LBM – Healthwatch	2,581	7,209	-	9,790
LBM – Merton Partnership Community Giving	47,167	-	(47,167)	-
LBM – Quality Assurance	15,744	(3,325)	-	12,419
Merton Giving Grant Distribution Fund	-	86,295	47,167	133,462
Social Prescribing Project	44,625	(15,066)	-	29,559
Sutton and Merton CCG - MVSC 2025 fund	759,160	-	-	759,160
Wimbledon Foundation - Merton Skill-Up	<u>(122)</u>	<u>1,311</u>	<u>-</u>	<u>1,189</u>
	<u>880,036</u>	<u>79,728</u>	<u>-</u>	<u>959,764</u>
TOTAL FUNDS	<u>931,905</u>	<u>169,732</u>	<u>-</u>	<u>1,101,637</u>

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021**

24. MOVEMENT IN FUNDS – Current Year

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	745,901	(652,291)	-	93,610
Pension fund	-	-	(3,606)	(3,606)
	<u>745,901</u>	<u>(652,291)</u>	<u>(3,606)</u>	<u>90,004</u>
Restricted funds				
Capacity Building - Trust for London	13,500	(13,528)	-	(28)
City Bridge Trust – Development Work	61,500	(58,028)	-	3,472
City Bridge Trust – Merton Giving	54,917	(56,310)	-	(1,393)
GLA – Young Londoners Network	36,825	(35,572)	-	1,253
LBM – Healthwatch	125,000	(117,791)	-	7,209
LBM – Quality Assurance	-	(3,325)	-	(3,325)
Merton Giving Grant Distribution Fund	425,440	(339,145)	-	86,295
Social Prescribing Project	-	(15,066)	-	(15,066)
Sutton and Merton CCG - MVSC 2025 fund	-	-	-	-
Wimbledon Foundation - Merton Skill-Up	20,000	(18,689)	-	1,311
	<u>737,182</u>	<u>(657,454)</u>	<u>-</u>	<u>79,728</u>
TOTAL FUNDS	<u>1,483,083</u>	<u>(1,309,745)</u>	<u>(3,606)</u>	<u>169,732</u>

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021**

24. MOVEMENT IN FUNDS – Previous Year

Comparative year information:

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

MERTON VOLUNTARY SERVICE COUNCIL

**NOTES TO THE FINANCIAL STATEMENTS – CONTINUED
FOR THE YEAR ENDED 31 MARCH 2021**

24. MOVEMENT IN FUNDS – Previous Year

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

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

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED FOR THE YEAR ENDED 31 MARCH 2021

25. FUNDS

RESTRICTED FUNDS

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

Name of restricted fund	Description, nature and purposes of the fund
Capacity Building – Trust for London	To enhance the knowledge and skills of local BAME organisations with regards to housing, planning and regeneration issues, enabling them to better support their members and BAME residents to present and campaign on the issues that affect them.
City Bridge Trust – Development Work	This project provides organisational development support to voluntary sector organisations in the borough, to enable them to grow and maximise their impact upon the local community.
City Bridge Trust – Merton Giving	The element of the City Bridge Trust funding provides funding to both MVSC and Merton Chamber to jointly generate income and arrange subsequent grant funding rounds through the Merton Giving fund. The funding targets and outcomes have been over-achieved as a result of the recent Merton Giving Coronavirus Fund activity.
Greater London Authority – Young Londoner Network Project	YLF Network project is a three-year programme supported by the Mayor of Londoners fund, aimed at building the capacity and quality of Voluntary Sector youth provision across the South West London sub-region. Through training, peer support, partnership and collaboration the programme seeks to ensure Young People across the sub-region have a variety of good quality activities and projects to participate in that will help them to achieve and develop into well balanced, civically active, adults.
LBM - Healthwatch	Healthwatch is the consumer champion for health and social care services in Merton.
LBM – Merton Quality Assurance	We secured funding from London Borough of Merton to provide quality assurance and partnership support for the voluntary sector.
LBM – Youth Action Programme	To support and encourage a minimum of 20 local young people (age 14 -25) to engage in community action and undertake voluntary roles in their local communities. This fund is now finished.
Merton Giving Grant Distribution Fund	During the current year grant funding was received from Clarion Futures, London Borough of Merton, Moat Homes Limited and Wimbledon Foundation, along with public donations and fundraising events. This funding, along with the balance of £47,167 from the LBM – Merton Partnership Community Giving fund from the previous year, was then used to support local organisations in the Borough in the way of small grants to assist during the Covid-19 pandemic.

MERTON VOLUNTARY SERVICE COUNCIL

NOTES TO THE FINANCIAL STATEMENTS – CONTINUED FOR THE YEAR ENDED 31 MARCH 2021

25. FUNDS – continued

Name of restricted fund	Description, nature and purposes of the fund
Social Prescribing Project	Merton Council and Merton CCG provided MVSC with funding to run a project, which connected patients at three East Merton GP practices with services in the community provided by voluntary organisations. Grant funding ended in September 2019 and a new expanded social prescribing contract was negotiated with the CCG from October 2019. The remaining balance on the 2019 fund will be used for future work within Social Prescribing in the borough.
Sutton and Merton CCG - MVSC 2025 fund	These funds were transferred to MVSC in February and March 2020 from an 'umbrella' charity managed by the Sutton and Merton CCGs. The transferred funds will be managed by MVSC and channeled through Merton Giving as grants to voluntary organisations and other not-for-profit bodies within the Borough of Merton to provide services with a focus on supporting residents and patients accessing local health and wellbeing services. In particular MVSC will be promoting the development of social prescribing services throughout the Borough and undertaking other activities, taking advice from the local Primary Care Networks.
Wimbledon Foundation – Merton Skill-Up	MVSC have provided a programme of targeted support to local organisations to improve their skills and knowledge in a range of areas, including governance and their ability to raise funds.

26. CAPITAL COMMITMENTS

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

27. CONTINGENT ASSETS

Total grant funding awarded as at 31 March but not yet received and recognised as income due to the recognition criteria not being met amounts to £558,700.

28. LEGAL STATUS OF THE CHARITY

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