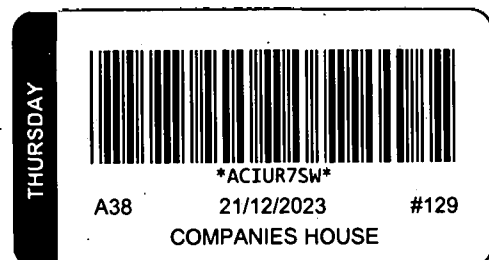


REGISTERED COMPANY NUMBER: 04164949
REGISTERED CHARITY NUMBER: 1085867

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

FOR

MERTON VOLUNTARY SERVICE COUNCIL



MERTON VOLUNTARY SERVICE COUNCIL

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MERTON VOLUNTARY SERVICE COUNCIL

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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.

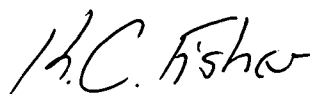
Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed 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.

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

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)

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

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