

REGISTERED COMPANY NUMBER: 10747109 (England and Wales)
REGISTERED CHARITY NUMBER: 1176273

THE VOLUNTARY SOLIDARITY FUND
INTERNATIONAL

Unaudited Financial Statements for the Year Ended 31 December 2021

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**THE VOLUNTARY SOLIDARITY FUND
INTERNATIONAL**

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for the year ended 31 December 2021**

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**THE VOLUNTARY SOLIDARITY FUND
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**Report of the Trustees
for the year ended 31 December 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Voluntary Solidarity Fund International ("VSF International") is an organisation borne out of the need for an effective response to the progression of social exclusion in developed countries. Its mission is to provide an opportunity for the more fortunate in society to help those who are disadvantaged by contributing, both financially and by volunteering time. The aim is to raise the capacity of those threatened to enable them to earn a dignified living by using their own capabilities.

The VSF International will support, inter alia, existing charities with a proven record of success in running programmes in local communities to bring marginalised individuals into society, and which are able to scale up their activity.

The VSF International will rely on donations. It will source and direct funds to approved programmes that have the potential to counter the dilapidating effects of socio-economic decay in cities. Funds may be channelled through the VSF International or directed by donors to their chosen projects. The funds will support projects that enhance the capacity of individuals to stand on their own two feet but who, without such support, are in danger of falling behind and becoming marginalised in society. As noted above, this support may go to organisations that are experienced, have a track-record and are audited to ensure transparency and full compliance with the VSF's aims and applicable regulations. However, new initiatives will also be considered. Programmes will fall into three categories:

- Integration of marginalised communities, for example homeless people, refugees, people with mental health trauma, victims of drug and alcohol addiction, ex-inmates, disoriented young unemployed. The objective here is not to provide the first level of support but rather to give the extra support necessary to integrate the person back in society and enhance the ability to earn a living in a dignified and honourable way.
- Education : the programmes supported by the VSF International will provide grants and scholarships to individuals who are capable and eager to study a trade or discipline in order to improve their chances of financial independence; and
- Interest-free, micro lending to individuals with entrepreneurial capabilities who are not able to access credit through the conventional means.

The core values of the VSF International are inspired by, and fully aligned with, the Catholic social teachings of solidarity, community and participation, and human dignity.

The VSF International was created under the influence of the Centessimus Annus pro Pontifice Foundation, a Vatican based entity established 29 years ago by Pope John Paul II to disseminate Catholic social teaching in economic circles.

The VSF International is a Charity and registered on the Register of Charities for England and Wales with Number 1176273 as from December 14, 2017. The Board of Trustees is formed of 9 experienced persons with a wide range of religious, professional and philanthropic background, fully committed to comply with the most demanding audit and transparency standards.

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Objectives and aims (continued)

It is intended that, in addition to its own activities in England, the VSF International will lead, oversee and support a network (spanning a number of countries) of charitable entities (the "VSF Network") using the VSF logo and name and adopting objectives and policies which are fully aligned with those of the VSF International. These entities may be established as branches of the VSF International or as independent not-for-profit organisations which will be linked to the network by a contractual agreement and governance structure, adhering to a single mission and set of values and adopting a common set of policies and standards. The precise structure of these entities will be dependent to a significant extent on local laws and regulations in the countries in which they are established. As at the date of publication of this report, the VSF International is active in Spain (through a branch) and in Malta and Italy, in each case through foundations which have entered into formal Memoranda of Understanding with the VSF International to become members of the VSF Network. Although this Report comments briefly on the activities and objectives of the Maltese and Italian foundations, their accounts are not consolidated with the accounts of the VSF International, which cover only the financial results of the VSF International (including its Branch in Spain). No funds have been transferred by the VSF International from the UK to its branch in Spain or to any member of the VSF Network, and no funds have been transferred by the branch in Spain to the VSF International in the UK or to any other member of the VSF Network.

STRATEGIC REPORT

Achievement and performance

Progress in 2018 - The Start-Up Phase

The VSF International (which was only established in 2017) is still in the early stages of its development.

The COVID-19 Pandemic has increased the need for the type of help offered by the VSF International in terms of assisting people to get back on their feet. The pandemic has significantly aggravated the conditions for social economic decay, and this will continue into 2022 and beyond. The jobs market is bound to lag in all jurisdictions in which the VSF International is active and technology is leading to a real increase in automation. It is clear that people will have to upskill in the post-pandemic world.

It is also worth noting that, as at the date of this report, it has also become very clear that the war in Ukraine and a number of other economic events have fuelled cost-of-living and inflation crises across the world, including all the countries in which the VSF Network is operating and, unsurprisingly, it is the most marginalised people in society who are left to suffer some of the worst consequences. Charities are therefore under enormous pressure to scale up to meet the additional demands for support which they are facing.

For all these reasons, it is clear that the VSF International, as a charity accelerator, is and will continue to be very relevant and that there is a great need for its services and support. Many companies and business leaders are willing to include increased help to solidarity projects as part of their Social Responsibility objectives, and a new field of potential activity has appeared for the VSF International in the form of voluntary advice to companies in this context and advice to existing solidarity projects and charities on how to present themselves to these potential corporate donors.

At the same time, in this environment, fund-raising has become more difficult both for the charities and projects which the VSF International supports and for the VSF International itself. Many charities are facing black holes in their budgets following the pandemic and the current "cost of living" crises and filling those gaps is their overriding objective. This funding crisis will continue well into 2022 and beyond.

This is the contextual background which faced the Board of Trustees in 2021 and against which they met five times using the zoom platform.

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Achievement and performance (continued)

Despite the increased challenges, the VSF International (and the VSF Network) has made steady progress in 2021. As explained in more detail below, in 2021:

- (i) The VSF International consolidated its operations in the UK by (a) building collaborative partnerships with the four charities it had selected in 2020 (b) starting to build its brand (c) sourcing some funds for those charities and (d) starting to create some strategic partnerships ;
- (ii) Under the leadership of Domingo Sugranyes Bickel (Trustee), the Spanish branch has continued to support its approved projects, raising and distributing some funds for their benefit, finalising collaborative agreements with them and continuing contacts to extend operations;
- (iii) In Malta, the VSF Malta Foundation, under the leadership of prof. Josef Bonnici (Trustee), has expanded and diversified its board and continued the process of selecting charitable projects to support and establishing relationships with selected charitable foundations, raising some funds to support the selected projects; and
- (iv) In Italy, under the leadership of Lorenzo Rossi di Montelera (Trustee), the Fondazione Luigi Rossi has expanded and diversified its board, and continued to support with funds and added value services, the initial projects approved for support (Villa Nazareth and Casa Benefica),

In conducting its activities, the Board of Trustees has had due regard to the public benefit guidance of the Charity Commission.

THE VSF INTERNATIONAL AND THE VSF NETWORK

The VSF Network operates essentially as a facilitator and accelerator for its partner charities and not as a promoter of new charitable projects of its own. The approach is a mix of fund-raising for its partner charities and unleashing the force of its network to enable its partner charities to source other services and resource their wider needs. The objective is to assist the partner charities to scale up and increase their impact.

Recognising that execution takes place largely on the ground in the jurisdictions in which the VSF Network is operating, a primary focus of the VSF International in these early stages is to oversee, support and develop the VSF Network in the four jurisdictions in which it is currently operating - the UK (**the VSF UK**), Spain (**the VSF Spain**), Italy (**the VSF Italy**) and Malta (**the VSF Malta**). However the Board has also considered how to grow the visibility of the VSF international more broadly beyond the border of those four jurisdictions both with a view to supporting the existing VSF Network and exploring possibilities for expanding to new jurisdictions.

In 2021 the VSF International therefore focused on ways in which it can support the activities of the members of the VSF Network on the ground and on the development of proposals for fund-raising at the international level. Much of the discussion at the meetings of the Board of Trustees has been aimed at (i) sharing experiences and developing best practice with the objective of identifying successes in one country which might be successfully replicated in another and (ii) considering the development of strategies to raise the visibility of the VSF International with potential supporters and funders beyond the borders of the countries in which it is present. This discussion and exchange will continue into 2022 so that an international strategy may be developed and implemented. Fund-raising discussions have focused on whether or not it might be possible to launch a successful crowd-funding campaign at the international level (learning the lessons drawn from attempts to do this at the local level) and, perhaps most importantly, at soliciting significant donations from international foundations and wealthy donors whose philanthropic ambitions are aligned with the VSF International's global strategy and aspirations.

In order to facilitate approaches to significant philanthropic donors and international foundations, the VSF first needs to ensure that its operations have been put on a sustainable footing, and are achieving success, in each of the jurisdictions in which the VSF Network is present. Progress is clearly being made in every jurisdiction and much work will now need to be done to draw together the achievements of the different members of the VSF Network in a way which demonstrates the impact of the VSF International both in terms of the financial support it has been able to bring to its supported charities and the qualitative added value services it has been able to provide or procure for those charities. Work has been conducted with a view to improving the VSF International website, developing international presentations for the VSF International and improving its digital footprint on social media. All of this work will continue into 2022 under the leadership of the Chair.

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Achievement and performance (continued)

THE VSF UK

The initial launch of the VSF International has been focused on London

The VSF UK has made significant incremental progress on all of its four key objectives for 2021:

- **To source funds and grants for the four charities initially supported by the VSF International in the UK**

These charities are:-

Women at the Well

Supports women whose lives are entangled in the sex trade, and those at risk, to exit from a life involved in prostitution;

Providence Row

Tackles the root causes of homelessness;

Guild of Our Lady of Good Counsel

Helps impoverished and marginalised expectant mothers and new mothers in crisis, often outside the welfare net;

Prisoner Advice and Care trust (PACT)

Provides support to prisoners, people with convictions and their families

- **To raise significantly brand awareness**
- **To create some strategic partnerships to assist the VSF (UK) to unleash the power of its network to support its charities**
- **To put the VSF (UK) on a sustainable footing**

In 2021, the VSF International has developed partnerships with each of the four charities mentioned above and has (a) sourced a gift of £50,000 for Providence Row (b)sourced a £10,000 grant from an Italian medical charity for Women at the Well and (c) supported PACT for a matching UK Government award where a £2,500 grant from the VSF International will unlock a further £7,500 grant from the UK Government. These successes supplement the donations of £4,000 each made to the charities at the end of 2020, which were funded by the London-based Trustees.

The VSF International conducted several on-line awareness-raising events in London in tandem with the CEOs of the four charities, secured positive press coverage and created a growing digital footprint on social media (Instagram, Facebook, LinkedIn and Twitter). The VSF International also sent out newsletters in London to its support network and contacts. All of this activity has started to increase awareness of the brand.

The VSF (UK) has been in discussion in 2021 with a number of potential partners with a view to establishing partnerships which can unleash the power of its network and facilitate the provision of a range of services to its supported charities in such areas as pro bono legal, financial advice, medical support, coaching and mentoring and counselling. As just one example, the VSF (UK) entered into a strategic partnership with a London-based food charity, The Felix Project, to secure weekly food deliveries to Providence Row.

Much work needs to be done to put the VSF UK onto a sustainable footing which will allow it to scale up its activities in terms of fund-raising and executing its plans both for supporting the initial charities it has selected and selecting additional charities to support (both in and beyond the borders of London). The VSF (UK) established an Advisory Board which met for the first time in October 2021. This generated a number of ideas for building on the initial successes and scaling up the operations of the VSF (London). Key to the implementation of a plan to scale up will be the retention of paid executive assistance. Everything that has been achieved by VSF U(K) in its inaugural stages is the result of *pro bono* efforts of the Trustees and other supporters. A key priority for 2022 will therefore be to develop and implement a plan for fund-raising to enable VSF (UK) to scale up and to recruit a permanent paid executive.

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Achievement and performance (continued)

Financial Information

The VSF (UK) conducted a small crowd-funding campaign which raised just over £6000 from 22 individual donors in just over a month.

The VSF (UK), as explained above, also raised over £60,000 in grants and one-off donations for its partner charities.

In relation to the VSF (UK)'s London project expenses of £2,800 were incurred. All other work on that project has been entirely *pro bono*.

THE VSF SPAIN

The VSF Spain is a branch of the VSF International, under the leadership of Domingo Sugranyes Bickel, one of the Trustees of the VSF International.

For the local co-ordination of its activity, the VSF Spain has established an Advisory Board, chaired by Domingo Sugranyes Bickel, which met 5 times during 2021.

The VSF Spain had the following objectives for 2021:

- **To source funds and grants for the charities supported by the VSF Spain**
- **To connect companies and individuals with the projects being supported by the VSF Spain in the context of the provision of funding and other services**
- **To consolidate and develop relationships between VSF Spain and Centesimus Annus Madrid, Caritas Madrid and Fundacion Pablo VI**
- **To plan additional fund-raising activities and to explore ways to accelerate strategy execution**

The VSF Spain was presented through its website as an accelerator of non-profit solidarity projects with the objective of building bridges between companies and people in the business world, on the one hand, and long-term projects aimed at allowing vulnerable people or people at risk of marginalisation to recover decent life possibilities by their own strength.

The following projects were supported by the VSF Spain in 2021:

- a training course in basic digital skills for unemployed people, promoted by the Madrid group of the Centesimus Annus pro Pontifice Foundation and the Fundacion Pablo VI;
- the programme “Xicos que habian” of the Luz Casanova Foundation aimed at helping vulnerable teenagers faced with intimate partner violence;
- the installation works of the Casa Hogar on Calle Larrs, 9 in Madrid, where the Community of San Egidio will welcome people in situations of serious vulnerability and the elderly, as it has been doing for more than 40 years in different parts of Madrid;
- the installation of photovoltaic solar panels in the refuge centre “Synod 2005” of Caritas Madrid located in the district of Latina, which consists of 60 sheltered homes for homeless people and families.

The VSF Spain promoted these projects in a number of ways, including videoconference presentations made in collaboration with the organisers of the projects, sending out promotional materials to potential supporters, engaging in meetings and contacts with business organisations, contacting business-based foundations in Madrid, and participating in on-line presentations in collaboration with Banco de Sabadell, the Lealtad Foundation and Accion Social Empresarial and publishing the first issue of a periodical newsletter. This promotional work was carried out almost entirely through pro bono collaboration.

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Achievement and performance (continued)

In order to consolidate and develop its relationships with its chosen partners, the VSF Spain has concluded collaboration agreements with the charities it is supporting, namely Caritas Espanol, Fundacion Luz Casanova, Comunidad de Sant'Egidio and Fundacion Pablo VI. Under its agreement, Fundacion Pablo VI will facilitate the physical establishment of VSF Spain and will provide certain logistical and administrative support and the VSF Spain will in return make an annual donation to the Fundacion Pablo VI for its charitable teaching purposes. Collaboration agreements have also been signed with the Wehelic entity for the realisation of crowd-funding sporting events, and with the asset managers Altum Faithful Investing to share possible management commissions on funds contributed by VSF Spain contacts.

The following successes have flowed directly from the activities conducted by the VSF Spain in 2021, which reflect incremental progress when measured against the objectives for 2021:

- The Fundacion Pablo VI has included in its regular training programmes the basic digital training course for unemployed people promoted by the Madrid group of the Centesimus Annus Foundation. A 60 hour pilot programme has been successfully carried out from April to June 2021, with eight students selected by Caritas Madrid and the Jesuit Migrant Service. The full course, partially funded by the VSF Spain will be held periodically from 2022.
- As a result of contact made by the VSF Spain, the MAPFRE company in Spain has donated re-cycled computers in order that they may be used for the digital training course and other projects supported by the VSF Spain.
- A special donation of euros 10,000 was received from the company, Mozo Grau S.A. to help with the funding of the digital training course;.
- The VSF Spain presented to the EY Javier Pancorbo Solidarity Award the Luz Casanova Foundation's project "Xicos que habian" which supports teenagers facing partner violence. The project won one of the three awards, for euros 10,000, which was passed directly to the project. The possibility of EY volunteers participating in the digital training of the teenagers is being studied.
- The VSF Spain also presented to the Banco Sabadell solidarity fund the "School of Peace" of the Community of Sant'Egidio, which was among the projects selected in 2020 and directly received €11,200; and the project "Xicos que hablan" by Luz Casanova in 2021, which has been selected in this year's call and will receive a similar donation in 2022, depending on the evolution of the fund.
- A special donation of €3,000 has been obtained for the "Home for the Elderly" project from the MAPFRE Foundation.
- Contacts have been initiated through the association of Madrid family businesses ADEFAM and through direct contacts with several companies that could provide in-kind aid to the projects supported by the VSF Spain in the form of computers, furniture, bedding and kitchen equipment.
- In addition to the aid in money or in kind obtained for the projects, the VSF Spain team has dedicated numerous hours to consulting, advisory and communication work in relation to its supported projects.

Financial information

Donations made in 2021 to the VSF account by 15 donors add up to €28,580.

VSF Spain has in turn made donations to projects amounting to €11,356.96 (including bank charges), which have gone to the projects being undertaken by the Fundación Pablo VI (€8,344.96) and the Community of Sant'Egidio (€3,012).

In addition, as explained above, the efforts of VSF Spain have mobilized an additional amount close to € 30,000 that went directly from donors to one of the projects supported by VSF Spain.

In the first quarter of 2021, professional communication consulting expenses amounting to €3,901.86 were incurred. All the subsequent work has been entirely pro bono. The permanent current expenses refer only to accounting management, web and banking services, for an annual amount of €1,811.15.

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Achievement and performance (continued)

VSF Spain had €22,974.19 on its current account at the end of the year. From this amount, some additional donations were made in the first quarter of 2022 to some of the projects mentioned above, namely euros 10,000 for the installation of photovoltaic panels in a Caritas shelter home in Madrid and monthly donations of Euros 1,040 to the Fundacion Pablo VI for the second edition of the digital skills course for the young unemployed.

THE VSF ITALY

The VSF Network is present in Italy through the Luigi Rossi Foundation, an Italian foundation with its own Board of Directors, chaired by Lorenzo Rossi di Montelera, a Trustee of the VSF International.

The VSF Italy prepares its own financial statements and it is not currently consolidated with the VSF International.

The VSF Italy is bound to the VSF International, and is a member of the VSF Network, by a Memorandum of Understanding which brings it within the contractual governance arrangements established for the VSF Network and requires it to observe the VSF Policies.

The VSF Italy had the following objectives for 2021

- **To expand its Board of Directors**
- **To commence a fund-raising plan and increase the visibility, brand and digital footprint of the VSF Italy**
- **To continue to support the Villa Nazareth and Casa Benefica projects**
- **Recognising the difficulty of raising funds in the present environment, to explore the possibility of providing added value by connecting charitable projects with those who can supply what those projects need.**

VSF Italy expanded its Board of Directors in 2021 with the addition of two members and it is hoped to add two further members in 2022

VSF Italy supported two students selected in 2021 for the Villa Nazareth project. VSF Italy will monitor their progress as they continue their academic studies and require them to provide a written report at the end of those studies. VSF Italy also supported two young people selected for the “Talenti Rivelati” project run by Casa Benefica in Turin which is aimed at rediscovering and promoting lost or unused job-related skills and abilities. The project is aimed at unemployed or inactive men and women between the ages of 18 and 55, that reside in the province of Turin.

VSF Italy also started a significant collaboration with the DiD Project (Dona Il Digitale – Donate the Digital). The project depends on the donation of decommissioned digital equipment (computers etc) which can be recycled and used in public classrooms established by the project. In 2021, the first digital room was set up and opened at the Pastoral Office for Migrants at the Archdiocese of Turin and 10 computers have been donated at no cost by “Banca Patrimoni” in Turin. This collaboration will continue and expand into 2022.

In a very difficult environment for fund-raising, the VSF Italy held a virtual fund-raising event in December which was well attended by some 70 people, raised 3,850 euros and successfully promoted the VSF Italy’s activities..

Financial Information

The VSF Italy is an independent foundation (the Fondazione Luigi Rossi) established in Italy and through a Memorandum of Understanding entered into with the VSF International is a member of the VSF Network (and subject to the governance arrangements and policies of the VSF Network. It prepares its own financial statements and is not consolidated with the VSF International.

At the end of 2021, the accounts of the Foundation showed that after donations of euros 8150, grants of euros 3000 and expenses of euros 5500, the Foundation has an endowment of euros 108,644.84.

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Achievement and performance (continued)

The VSF MALTA

The VSF Network is present in Malta through the Voluntary Solidarity Fund Malta, an independent foundation with its own Board of Directors, chaired by Prof. Josef Bonnici, the Chair of the VSF International.

The VSF Malta prepares its own financial statements and it is not currently consolidated with the VSF International.

The VSF Italy is bound to the VSF International, and is a member of the VSF Network, by a Memorandum of Understanding which brings it within the contractual governance arrangements established for the VSF Network and requires it to observe the VSF Policies.

The VSF Malta had the following objectives in 2021:

- **To expand and diversify the Board of the VSF Malta**
- **To identify further projects for support by the VSF Malta**
- **To increase fund-raising potential**

VSF Malta added two female candidates to its board in 2021. The positive impact of this has already been felt and the VSF Malta will look to further expand and diversify the board.

The extremely challenging environment for raising funds in Malta in 2021 has constrained the amount of support the VSF Malta has been able to offer. The principal focus has been to develop its relationship with The St. Jeanne Antide Foundation and Caritas Malta.

The St. Jeanne Antide Foundation focuses on women who are, for various reasons, in distress. The VSF Malta has agreed to enable two trainers/mentors to assist in the provision of support and encouragement in seeking income earning opportunities. The budget cost over the next year for this support is euros 13,000.

The St. Jeanne Antide Foundation has been provided with premises by the Archdiocese of Malta, which need extensive renovation and the addition of a kitchen and work centre from which women participating in their programmes can start participating in social enterprises. The Planning Authority of Malta has awarded the Foundation euros 350,000 from its charity fund for the refurbishment of the building. The VSF Malta is assisting with this project by identifying and supporting a project manager to manage the refurbishment programme. This support is estimated at euros 23,000, which is to be provided by the Farsons Group in the form of technical and engineering input.

The VSF Malta is in discussions with Caritas Malta to support the set-up of social enterprises which are intended to provide initial working experience for marginalised individuals. It is also in discussions with Fondazzjoni Sebh (a Foundation that focuses on providing a home for homeless children) to provide a new mentoring service to ensure the smooth transition from the previous residential setting into the new semi-independent residence once they reach the age of 18.

On the fund-raising side the VSF Malta continues to meet with local businesses and companies and this has resulted in some donations and helps to raise the awareness of the VSF Malta. The VSF Malta also continues to receive donations in the form of deductions from employees of the Seminary of Malta following an initiative between the VSF Malta and the Director of the Seminary.

Financial Information

The VSF Malta is an independent foundation established in Malta and through a Memorandum of Understanding entered into with the VSF International is a member of the VSF Network (and subject to the governance arrangements and policies of the VSF Network). It prepares its own financial statements and is not consolidated with the VSF International.

At the end of 2021, the accounts of the VSF Malta showed that after donations of euros 2,540 grants of euros 8,000 and expenses of euros 13, the VSF Malta had a surplus of euros 8,992 to carry into 2022.

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Financial review

Financial position

To assist with the initial expenditure of establishing and launching the VSF International (legal, accounting and web-site related) the Centesimus Annus pro Pontifice Foundation generously made a contribution the VSF International of Euros 30,000. However, the expenses incurred in the set-up and administration of the VSF International (including the Spanish branch) have been entirely funded by contributions by members of the Board of Trustees and so the VSF International was able to carry into 2020 and 2021 funds to meet additional launch and other expenses.

The activities of the VSF International (in the UK and Spain), including fund-raising projects, were severely disrupted by COVID-19 in 2020 and 2021 and in the UK the only funds raised were as a result of donations made by Trustees, which were used to fund distributions to the four charities in London which are supported by the VSF International and expenses incurred by the VSF International in the UK.

External fund-raising will commence in 2022 and the funds raised will be used to fund further contributions to the four charities. The funds carried into 2022 are intended to be kept as a reserve and the expenses of the VSF International in 2022 will be funded by donations made by Trustees.

The VSF International had no permanent full time staff in 2021 but, both in Spain and London, has made small payments to volunteers working largely on a pro bono basis to provide administrative help. This is expected to continue into 2022. The members of the Board of Trustees cover personally their expenses incurred in attending meetings of the Board of Trustees of the VSF International.

Reserves

As at the end of 2021, the VSF International had reserves of £21,252 which have arisen from the support of the founding members of the Board of Trustees and the contribution made by the Centesimus Annus pro Pontifice Foundation referred to in the Financial Review section above, and made to fund initial start-up costs. To the extent that the VSF International has not raised funds which are available to meet further operating costs and expenses they will be met out of Trustees' contributions and, but only if these are insufficient, the reserves.

In its early development stage, the VSF International will ensure that a small contingency is built into its budget for unforeseen expenses. As the level of revenues rise, the Board of Trustees will consider the need to establish a permanent reserve. The reasons might include:

- The risk of unforeseen emergency or other unexpected need for funds;
- Unforeseen day to day operational costs;
- A shortfall in income due to a source of funds not being renewed;
- The need to fund short-term deficits in a cash budget.

Based on its assessment, and taking into account each jurisdiction in which it operates, the Board of Trustees will establish a target range for a permanent reserve and build an annual contingency into its annual budgets with a view to reaching the target level within a realistic period.

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STRATEGIC REPORT

Governance, Risk management and other policies

The VSF International has adopted the Charity Governance Code for smaller charities as promoted by the Charity Commission.

The VSF International is committed to observe "best practice" for a newly established charitable organisation in England and Wales. The governance practices will be regularly reviewed and updated by the Board of Trustees as the VSF International develops and becomes more mature. As a new organisation in the early stages of development, the VSF International had no permanent staff in 2021 and, with a small Board of Trustees, no sub-committees of the Board of Trustees. Consequently, with regard to decision-making, risk and control, the governance processes are currently simple and will develop as the VSF International grows and develops.

A comprehensive set of policies appropriate for the VSF International and the VSF Network were presented to the Board of Trustees for adoption in 2020 and approved. The Board of Trustees will in due course be asked to approve and adopt a Board Manual to provide an orientation for persons joining the Board of Trustees and a guide to existing members of the Board of Trustees. A detailed policy for recruiting and training new members of the Board of Trustees will also be developed and agreed.

The VSF International will encounter risks in the following key areas:

- **Strategic** - these concern the strategies and objectives of the VSF International. They can be affected by such areas as capital available, legal and regulatory changes in the countries in which it operates, reputation and changes in the physical environment.
- **Operational** - these concern the day to day issues that the VSF International will confront as it works to deliver its objectives, including the assessment, monitoring and oversight of projects approved for support by the VSF International.
- **Financial** - these concern the effective management and control of the finances of the VSF International (with appropriate separation of restricted and unrestricted funds) and the effects of external factors.
- **Compliance** - these concern the effective management and control of the VSF International's regulatory environment in each jurisdiction in which it operates, including health & safety, data protection and consumer protection.
- **Network** - these concern the effective oversight and governance control of members of the VSF Network.

The policy manual adopted by the VSF International in 2020 will ensure that these risks are appropriately addressed.

Key objectives for 2022

At the international level

- To expand and diversify the Board of Trustees.
- Given that strategy execution takes place on the ground locally, to share experiences, develop best practice and leverage contacts and success across the VSF Network.
- To continue to monitor and oversee progress in each of the countries in which the VSF Network is present.
- To raise the profile of the VSF International and the VSF Network at the international level and to develop a strategy for international fund-raising. A part of this work will be the development of a framework for presenting the overall impact of the VSF Network.

**THE VOLUNTARY SOLIDARITY FUND
INTERNATIONAL (REGISTERED NUMBER: 10747109)**

**Report of the Trustees
for the year ended 31 December 2022**

Key objectives for 2022 (continued)

In the UK

- To source funds and grants for the four charities initially supported by the VSF International in London
- To raise significantly brand awareness
- To continue to develop some strategic partnerships to assist the VSF International to support its charities.
- To put the VSF International on a sustainable footing in the UK.

As At the date of this report the VSF London has sourced an additional £50,000 for Providence Row and is in advanced discussions with a potential partner charity which is proposing to make a grant to PACT. Other discussions are on-going with a view to sourcing philanthropic gifts for the London project. A fund-raising dinner will be held at the House of Lords on 11 October.

In Spain

- To add two new projects in the field of mental health services for young unemployed people and the creation of jobs for immigrants in ecologically sustainable agriculture. Contacts have been made with Opcion3 social cooperative and the SERCADE Capuchin development service.
- To help previously selected partner charities (Caritas Espanola, Luz Casanova, Sant'Egidio, Fundacion Pablo VI) and the two new ones in their contacts with business in order to improve the focus of their employability programmes.
- To source funds and grants for the projects being supported by the VSF Espana.
- To connect companies and individuals with the projects being supported by VSF Espana in the context of the provision of funding and other services.
- To establish a second operational base in Bilbao in the Basque country (Northern Spain).

The second edition of the digital training course for unemployed people carried out by the Pablo VI Foundation has been successfully completed in the first half of 2022 by 19 participants. Tangible progress is also being made by the other projects supported by VSF Spain. VSF Spain is also collaborating with Caritas in a new project which involves the establishment of a new "campus" of the diocesan employment service. VSF Spain is helping to create contacts between the campus and companies which can help to define employability niches, training and possible collaboration agreements.

VSF Spain has also added two new projects of social interest:

- (i) The Open Mental Health Centre for young people to be created by the non-profit co-operative Opcion 3, an organisation with proven experience in training young unemployed in vulnerable situations; and
- (ii) The Huerto Hermana Tierra orchard established by the Capuchin friars in El Pardo, which employs immigrants in an ecological social project and which has so far been financed by SERCADE.

The VSF Spain is currently commencing a new communication campaign to raise additional funds and to increase awareness.

**THE VOLUNTARY SOLIDARITY FUND
INTERNATIONAL (REGISTERED NUMBER: 10747109)**

**Report of the Trustees
for the year ended 31 December 2021**

In Malta

- To further expand and diversify the Board of VSF Malta
- To identify further projects for support by VSF Malta.
- To increase fund-raising potential

VSF Malta is continuing the process of establishing relationships with a network of companies, foundations and wealthy individuals who are committing some funds in support of the VSF Malta. VSF Malta is also considering crowd-funding for specific projects.

In Italy

- To expand the Board of Directors of Fondazione Luigi Rossi Onlus
- To commence a fund-raising plan and increase the visibility, brand and digital footprint of the Fondazione.
- To continue to support the Villa Nazareth and Casa Benefica projects
- To provide added value by connecting charitable projects with those who can supply what those projects need.
- The Fondazione is anticipating to receive up to 150 additional computers in 2022.

VSF Italy is making progress on all these fronts. In particular, the new digital DiD project has opened its first functioning rooms in Rome (one) and Turin (two). The goal is to provide training for vulnerable people, including migrants, and in Turin's major gaol, for prisoners in anticipation of their release. Milan will follow shortly.

VSF Italy is strengthening its infrastructure and working to expand its network of partners and potential donors.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The governing document of The Voluntary Solidarity Fund International is its Memorandum and Articles of Association, under which it has been constituted as a company limited by guarantee (as defined by the Companies Act 2006). The Charity was registered with the Charity Commission on 14th December 2017.

**THE VOLUNTARY SOLIDARITY FUND
INTERNATIONAL (REGISTERED NUMBER: 10747109)**

**Report of the Trustees
for the year ended 31 December 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
10747109 (England and Wales)

Registered Charity number
1176273

Registered office
66 Lincoln'S Inn Fields
London
United Kingdom
WC2A 3LH

Trustees

Professor J Bonnici Professor
M P Bray Solicitor
Dr L R di Montelera Entrepreneur
P L L Duval Chief Executive
HSH A K Furst zu Lowenstein Manager
Dr D P R Sugranyes Bickel Retired
Lord D J Brennan Barrister
F Vanni D'Archirafi Banker

Company Secretary
M P Bray

Independent Examiner

Hazel Day
Tudor John Limited
Nightingale House
46-48 East Street
Epsom
Surrey
KT17 1HQ

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 9 September 2022 and signed on the board's behalf by:

.....
M P Bray - Trustee

**Independent Examiner's Report to the Trustees of
The Voluntary Solidarity Fund
International (Registered number: 10747109)**

Independent examiner's report to the trustees of The Voluntary Solidarity Fund International ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

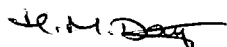
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Hazel Day
Tudor John Limited
Nightingale House
46-48 East Street
Epsom
Surrey
KT17 1HQ

Date: 28th September 2022

**THE VOLUNTARY SOLIDARITY FUND
INTERNATIONAL**

**Statement of Financial Activities
for the year ended 31 December 2021**

	Notes	2021 Unrestricted fund £	2020 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		<u>29,017</u>	<u>32,728</u>
EXPENDITURE ON			
Charitable activities			
Charitable activities		18,627	35,866
Other		<u>1,760</u>	<u>(583)</u>
Total		<u>20,387</u>	<u>35,283</u>
NET INCOME/(EXPENDITURE)		8,630	(2,555)
RECONCILIATION OF FUNDS			
Total funds brought forward		31,090	33,645
TOTAL FUNDS CARRIED FORWARD		<u><u>39,720</u></u>	<u><u>31,090</u></u>

The notes form part of these financial statements

**THE VOLUNTARY SOLIDARITY FUND
INTERNATIONAL (REGISTERED NUMBER: 10747109)**

**Balance Sheet
31 December 2021**

	Notes	2021 Unrestricted fund £	2020 Total funds £
CURRENT ASSETS			
Debtors	4	252	-
Cash at bank		<u>41,878</u>	<u>32,410</u>
		42,130	32,410
CREDITORS			
Amounts falling due within one year	5	(2,410)	(1,320)
		<u>39,720</u>	<u>31,090</u>
NET CURRENT ASSETS			
		<u>39,720</u>	<u>31,090</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>39,720</u>	<u>31,090</u>
NET ASSETS			
		<u>39,720</u>	<u>31,090</u>
FUNDS	6		
Unrestricted funds		<u>39,720</u>	<u>31,090</u>
TOTAL FUNDS		<u>39,720</u>	<u>31,090</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.


The notes form part of these financial statements

**THE VOLUNTARY SOLIDARITY FUND
INTERNATIONAL (REGISTERED NUMBER: 10747109)**

**Balance Sheet - continued
31 December 2021**

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 9 September 2022
and were signed on its behalf by:


.....
M P Bray - Trustee

The notes form part of these financial statements

**THE VOLUNTARY SOLIDARITY FUND
INTERNATIONAL**

**Notes to the Financial Statements
for the year ended 31 December 2021**

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

These financial statements reflect the combined activity of Voluntary Solidarity Fund International and its Spanish Branch.

An extract of the key figures of the branch are below:

	GBP	Eur
Income	24,017	28,580
Expenditure	14,344	17,070
Surplus for the year	9,672	11,510
Current Assets	19,558	23,274
Current Liabilities	1,090	1,297
Total funds	18,468	21,977

These financial statements do not include the figures from the overseas organisations operating under a memorandum of understanding.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

FOREIGN CURRENCIES

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Accounts of the overseas branch have been incorporated into these accounts, the transactional currency of the branch is Euro and the accounts have been converted at 31st December 2021 using an exchange rate of GBP 1 = Euro 1.19.

**THE VOLUNTARY SOLIDARITY FUND
INTERNATIONAL**

**Notes to the Financial Statements - continued
for the year ended 31 December 2021**

2. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

3. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	<u>32,728</u>
EXPENDITURE ON	
Charitable activities	
Charitable activities	35,866
Other	<u>(583)</u>
Total	<u>35,283</u>
NET INCOME/(EXPENDITURE)	(2,555)
RECONCILIATION OF FUNDS	
Total funds brought forward	33,645
TOTAL FUNDS CARRIED FORWARD	<u><u>31,090</u></u>

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other debtors	<u>252</u>	<u>-</u>

**THE VOLUNTARY SOLIDARITY FUND
INTERNATIONAL**

Notes to the Financial Statements - continued
for the year ended 31 December 2021

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other creditors	1,090	-
Accrued expenses	<u>1,320</u>	<u>1,320</u>
	<u>2,410</u>	<u>1,320</u>

6. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	At 31.12.21 £
Unrestricted funds			
General fund	31,090	8,630	39,720
	<u>31,090</u>	<u>8,630</u>	<u>39,720</u>
TOTAL FUNDS	<u>31,090</u>	<u>8,630</u>	<u>39,720</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	29,017	(20,387)	8,630
	<u>29,017</u>	<u>(20,387)</u>	<u>8,630</u>
TOTAL FUNDS	<u>29,017</u>	<u>(20,387)</u>	<u>8,630</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	33,645	(2,555)	31,090
	<u>33,645</u>	<u>(2,555)</u>	<u>31,090</u>
TOTAL FUNDS	<u>33,645</u>	<u>(2,555)</u>	<u>31,090</u>

**THE VOLUNTARY SOLIDARITY FUND
INTERNATIONAL**

**Notes to the Financial Statements - continued
for the year ended 31 December 2021**

6. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	32,728	(35,283)	(2,555)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>32,728</u>	<u>(35,283)</u>	<u>(2,555)</u>

7. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 December 2021.