



LIVERPOOL CHARITY AND VOLUNTARY SERVICES

Trustees' Report and Consolidated Financial Statements for the year ended 31 March 2022

Company Registration No. : 181759

Charity Registration No.: 223485

Liverpool Charity and Voluntary Services
Trustees' Report and Accounts for the year ended
31 March 2022

CONTENTS

1	Trustees' Report
17	Independent Auditor's Report
21	Statement of Financial Activities (including Income and Expenditure Account)
22	Balance Sheets
24	Cash Flow Statement
25	Notes to the Accounts

The following page does not form part of the financial statements:

54	Affiliated Organisations
----	--------------------------

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31ST MARCH 2022

The trustees present their report and the consolidated financial statements of the charity and its subsidiaries for the year ended 31st March 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland – FRS 102 (effective 1 January 2019) and the charity's governing document.

THE CHARITY

Liverpool Charity and Voluntary Services (LCVS) is a company limited by guarantee without share capital governed by its memorandum and articles of association dated 13 April 1922, last amended 25 April 2006. It is a registered charity number 223485 and company number 181759.

LCVS is a charitable trust corporation, administering funds and trusts on behalf of donors and charities from across the UK. It is the umbrella organisation for the non-profit organisations in Liverpool providing specialist business support and community engagement.

OBJECTIVES AND MISSION

Charitable Objects

1. To promote, assist and encourage charitable endeavour in Liverpool and its vicinity and beyond, and the effective and economical management of charitable funds, and
2. To promote the voluntary sector for the benefit of the public.

Mission Statement

We work to improve the wellbeing of individuals and communities in Liverpool.

We do this through supporting, encouraging and developing **voluntary action** and **charitable giving** and bringing people, organisations and resources **together**.

We believe that everyone deserves opportunities to have a good life: a quality education that leads to a stable job, enough income to support a family through retirement, and good health.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31ST MARCH 2022

That's why we want all of our work to support or be **focused on these four key pillars for a good life and improved wellbeing. All aim to address poverty of:**

- Education – helping children and young people achieve their potential
- Income – reducing inequality and supporting Financial Stability and Independence, and initiatives which tackle or reduce poverty
- Health – improving people's health
- Arts & Culture – promoting the benefits of arts and cultural activities in terms of health, education and community cohesion

We want to **create long-lasting change by addressing the underlying causes of these problems.** We believe that supporting, encouraging and developing **voluntary action** and **charitable giving** and bringing people, organisations and resources **together** will help us achieve this.

STRUCTURE, GOVERNANCE & MANAGEMENT

The Board of Trustees meets bi-monthly to monitor the charity's activities and performance, to determine strategy and to attend to all other matters of governance.

The Board of Trustees has the following sub-committees:

The **Recruitment Committee** oversees trustee recruitment, induction and training.

The **Governance Committee** monitors compliance.

The **Finance, Audit and Risk Committee** scrutinises financial performance against set budgets and presents this to the board, identifies methods to enhance financial performance and helps develop the longer term financial model for the organisation. It also ensures that there is a framework for accountability, for examining and reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management, and for ensuring the charity is complying with all aspects of the law, relevant regulations and good practice.

The **Investment Committee** implements the investment strategy set by the board and monitors the performance of the investment manager.

The **Grants Committee** decides the allocation of grants from Trusts where it is sole Trustee or where it has delegated discretion. It also makes recommendations to a small number of Trusts that have their own grant making arrangements.

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE
YEAR ENDED 31ST MARCH 2022**

LCVS has a trustee recruitment policy that aims to maintain a diverse mix of skills and experience that supports the governance and management of the charity. Trustees are recruited to fill gaps identified by the trustee skills audit. There is a balance between representation from 'communities of interest' and individuals with business acumen. The induction procedure for new trustees includes distribution of background information, access to all records and attendance at bi monthly induction sessions. New trustees formally sign a declaration of willingness to serve.

The Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance and employment.

LCVS's subsidiaries, UW Giving and United Trusts contribute to the services available to donors (Note 4) and the Settlers' Trust Fund provides the opportunity for pooled investment of funds over which LCVS has control (Note 26). In delivering its programmes LCVS works alongside other voluntary and public sector partners.

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

ACTIVITIES, ACHIEVEMENTS, IMPACT & FUTURE PLANS

The trustees, as company directors, present this report on activities, achievements, and impact during 2021/2022.

During the year LCVS continued to support the sector through the extended period of the pandemic, as we returned to the 'new normal' and in preparing for a challenging year ahead in terms of the economic climate.

LCVS discharges its mission in a variety of ways, and these are grouped as follows:

1. Programmes

Whether it is sharing best practice and resources or delivering community programmes, we believe working together is better for everyone.

Bringing charities, businesses, organisations and individuals together to tackle specific problems or issues is a dynamic and cost-effective way of working, tapping into the skills, energy and expertise that exists within communities.

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE
YEAR ENDED 31ST MARCH 2022**

By harnessing this collective power and passion, we can improve the lives of people, community by community. The best way to develop effective local policies is through working in partnership with a range of stakeholders to ensure any policy is relevant to those it is looking to support.

That's where LCVS comes in. We bring together all relevant stakeholders, ensuring the provision of information, support and guidance to policymakers. LCVS can provide a link between policymakers and the wider sector so there is open and honest dialogue, enabling local knowledge and understanding of need to fully inform any new policy development.

LCVS has established networks at grass roots level across the City of VCFS organisations with whom we work in partnership to tackle issues facing their communities. We also work closely with our colleagues in the Public Sector and we represent the sector on a number of strategic bodies, from the Liverpool Strategic Partnership, the Liverpool Integrated Care Partnership, the Health Protection Board and others. We are a signatory to the One Liverpool Plan.

In 2021/2022 we worked in a number of key areas:

Grants - LCVS has extensive experience in the management of multiple grants programmes to support voluntary organisations and communities in Liverpool and beyond. We offer a friendly, supportive service that aims to enable organisations applying for funds to maximise their chances of success.

As well as our own Community Impact Fund grants programme, LCVS administers funds on behalf of other trusts and organisations including The Skelton Charity and the Rushworth Trust.

Applications are assessed by the team and during the assessment process we are able to advise and guide applicants not just on their grant application but on other aspects of their organisation; for example, we may signpost a group to our Capacity Building Team to get additional support around their strategy, policies and procedures if the Grants Team feel that this is an area of weakness.

During the year the team at LCVS worked with our public sector partners to manage a number of key programmes of funding out to the sector, including but not exclusively:

Healthy Activities and Food: having laid the foundations for healthy activities and food programmes through the development of the Play Partnership 12 years ago, LCVS were commissioned to manage the initial £2million funding for HAF funding on behalf of Liverpool City Council. This funding enabled over 100 delivery

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE
YEAR ENDED 31ST MARCH 2022**

organisations to provide safe activities and healthy food to children in the school holidays. Over 10,000 children were engaged in activity as a result of this programme.

LCVS were able to bring added value to this programme through its Health and Wellbeing Network and linking student nurses from LJMU to the programme who could work with organisations to speak to families about wider health topics.

Integrated Community Mental Health Programme: Working with colleagues in Liverpool City Council Public Health department, LCVS co-developed a grant funding programme to distribute £485,000 to the sector to support individuals and families who may be experiencing low level poor mental health following the Covid pandemic. The focus was on the following interventions:

- Mental health promotion in youth outside of educational settings.
- Addressing financial insecurity and debt.
- Addressing loneliness to protect the mental health of vulnerable groups.
- Bereavement support.

This is a strategic, preventative, investment approach with the aim of preventing the need for increased mental health referral through clinical pathways.

Community Renewal Fund: During the year LCVS also won funding from the Liverpool City Region Combined Authority for a pilot programme of support to the sector. The Innovation in Communities programme provided a package of targeted support to entrant and established VCS organisations, specifically where projects worked to:

- Improve places/spaces that matter to communities
- Plan/deliver community-based cultural regeneration projects
- Increase employment opportunities within the cultural sector

This was achieved by:

- Bringing organisations together, identifying/sharing best practice, targeting communities impacted by identified issues:
- Funding projects, promoting engagement and long-term changes
- Empowering VCS groups to identify needs and shape/deliver a grant programme
- Promoting/increasing engagement within excluded communities, empowering them to develop ideas/projects
- Increasing organisation resilience and sustainability

My Clubmoor – LCVS is the Locally Trusted Organisation (LTO) for the MyClubMoor project (funded by the Big Local Trust). Big Local is a long-term innovative programme that aims to achieve lasting change in 150 areas in England. It provides a mixture of funding, finance and support. Each area is awarded £1Million to spend over ten years on community development which is planned and implemented by a

partnership board comprising local tenants who represent the community. This board is not a legal entity in its own right and therefore, as LTO, LCVS is responsible for all legal contracts, including employment of staff and rental of premises.

2. Services to charities and voluntary organisations

2021/22 remained another extremely busy year for capacity building services as community groups required assistance as they sought to recover from and emerge from Covid-19. This was done in a challenging operating environment where clients remained reluctant to fully engage in face-to-face support services, with many opting for assistance delivered online or remotely.

We were able to continue delivering the range of support available to maximise the effectiveness and sustainability of local community organisations across a range of critical issues such as fundraising, good governance, project delivery and impact measurement.

Organisations continued to receive capacity building support from LCVS. This included:

- Supporting new organisations to establish, and to begin meeting the emerging needs in their communities
- Providing opportunities for groups to meet each other and provide peer support, exchange ideas for service development, test new models for delivery and to share learning of their experiences during Covid19
- Providing support to groups to develop their governance and management systems
- Assisting groups to develop a business case for support and to measure the impact of their work, which in turn, makes the case for future investment

The capacity building team also provided income generation and sustainability support to established organisations in the community and continued the provision of

- Income generation mentoring
- bid writing support
- bid reviews and draft feedback
- income generation strategy assistance

Leading to the generation of an additional £4.6m in income for local community groups within the 12-month period.

In addition to this, 77 organisations were supported through an additional £500,000 Community Renewal Fund funded Innovation in Communities Project, which

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31ST MARCH 2022

combined a grant programme with capacity building support to bring groups together to improve the local environment and support people towards work.

3. Services to donors

We have a range of services to make it easy for individuals, companies, and our public sector partners to give or invest in programmes and activities which improve the wellbeing of individuals and communities in Liverpool. We encourage donors to align giving with our priority areas, because we believe that is where they can make the maximum difference – health, income stability, education, and arts & culture.

4. Enablers

There are a range of activities which are vital to support our aims: for example, providing networking opportunities and bringing people together to address problems; developing an evidence and research base and providing a policy function so we know where to put our efforts and we can encourage others.

We facilitate a number of networks and Communities of Practice (CoPs) that bring together groups and individuals who have a specific interest in an issue.

Health and Wellbeing Network: This is a network, facilitated by LCVS, which comprises 300 voluntary, faith and community organisations which are involved in delivery of health and wellbeing services or programmes in the city. It meets quarterly to share experiences and knowledge and network and develop a strategic response to health inequalities in the city.

One Liverpool Partnership Board: The year saw huge changes arising from the demise of the Clinical Commissioning Groups and the formation of the Merseyside and Cheshire Integrated Care Partnership.

In Liverpool, LCVS strategic work on behalf of the sector gained it a position on the One Liverpool Partnership Board, the place based ICP Board. The overarching role of the board is to be responsible for setting local health and care priorities, pooling and aligning NHS and social care spending, allocating budgets to local providers or local provider alliances, ensuring delivery of key programmes set out in the One Liverpool Strategy, plans and programmes.

The Good Food Plan: LCVS was one of the partners working with Feeling Liverpool to support the development of the Good Food Plan for the city and continue to support work in this area.

The Good Food plan is a plan to address key issues in the Liverpool around food including:

- food insecurity
- access to and take-up of healthy, nutritious food
- impact of the food we eat is having on our planet
- the practices by which the food we eat is made.

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE
YEAR ENDED 31ST MARCH 2022**

LCVS also contributed a £15,000 grant from its own funds to support the development of this plan.

We continue to support a strategic approach to tackling food inequality in the City through partnership working.

Volunteer Hub: As part of our partnership with VS6 (www.vs6partnership.org.uk) funding was secured from the Liverpool City Region Combined Authority to facilitate each of the 6 CVS's in the Liverpool City Region to purchase the same digital volunteer platform. This platform, run through 'Team Kinetic' provides the facility for a single hub for volunteering across the LCR, supported at place by each CVS. Development of this hub will be undertaken during 2023/24.

VS6: LCVS continues to work with partners in VS6 to deliver its manifesto for the sector across the City Region and to coordinate activity across the region where appropriate.

5. Solid foundations

Our biggest asset is and has been since the organisation was founded back in 1909, the staff, trustees and volunteers who have worked so hard to make LCVS the organisation it is today. We believe that as the current custodians of the organisation it is up to us to maintain the culture of support and compassion that has stood us in such good stead over the years. We believe that we have a responsibility to ensure that our staff have the best possible working conditions and that we have a positive and consistent approach to employee wellbeing throughout the organisation.

Planning Ahead

It is clear that the pandemic lasted much longer than originally anticipated, impacting our work across 2020-2022. The after effects are still being felt and the collective shock and trauma will continue to be felt for some time to come.

Against this backdrop we find ourselves in a cost-of-living crisis which is hitting those most deprived in our communities the hardest.

At the same time, it would be fair to say that the VCFSE sector is struggling to keep up with increased demand at a time when it itself has been decimated by Covid and is experiencing increased costs both in terms of delivering services and demand for increased wages from its staff.

Against this backdrop, LCVS is working with its strategic partners and funders to develop a new strategy for 2023 and beyond. This is likely to focus on LCVS's role in enabling an end to poverty (in all its forms) in Liverpool.

FINANCIAL REVIEW

During the period, the charitable group's net assets increased in value from £7,756,199 to £8,794,188 of which unrestricted funds totalled £7,585,954 (£7,776,722: 2021). This level of reserves is considered by the Trustees to be necessary to generate income, which, along with other income earned each year, enables the Charity to maintain financial independence essential for its charitable work.

Income from charitable activities (Note 6) is augmented by donations and legacies and investment income to enable the expenditure on charitable activities as detailed in Note 8.

In many cases new activities take time to generate sufficient funds to cover their costs and, in other areas, resources have been applied to continue delivery of services in the short and medium term where external funding is no longer available. Such expenditure is monitored on a regular basis.

Total income for the period for the charitable group was £6,833,704 compared with £2,834,110 in 2021. Expenditure totalled £5,816,150 (£2,798,426: 2021).

Prior to investment gains & losses, there was a net surplus of £1,017,554 (£35,684 surplus: 2021).

Reserves Policy & Investment Objective

Unrestricted Funds

The **General Fund** is the accumulated reserves of LCVS (charity). These total £1,560,292 at the year end (2021: £1,751,060) which include LCVS's investment in its fixed assets for own use.

The long term objective of the Trustees is to build up free reserves to a minimum of £450,000 which would represent approximately 3 months' running costs based on unrestricted fund expenditure in 2021/22. At the year end the Trustees are aware that free reserves did not meet this target and are looking to develop further opportunities to generate surpluses. Free reserves are considered to be unrestricted reserves net of LCVS's investment in its fixed assets for own use.

In addition, the trustees previously designated reserves as a '**151 Dale St Fund**' being initial funds (£6,019,538 at 31st March 2021 & 31st March 2022) used to acquire the building and is fully held in fixed assets as a Programme Related Investment; it is the intention that this will be held for this purpose in the long-term.

The Trustees have the same full and unrestricted powers of investment in all respects as if they were the beneficial owners. The charity has £1,113,204 (2021 : £1,092,769) invested in the Settlers' Trust Fund. The Investment Objective in this regard is to maintain liquidity and the monetary value of the fund to facilitate withdrawal. Whilst the capital sum is subject to market conditions, the performance of

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE
YEAR ENDED 31ST MARCH 2022**

the Settlers Trust Fund is monitored quarterly by the Investment Committee and the Trustees are satisfied that its objectives have been achieved throughout the period.

Restricted funds of the charitable group stood at £1,208,234 surplus at the period-end (£20,523 deficit: 2021). The 2021 total included a deficit balance of £70,000 on LCVS Community Impact Programme Play Partnership being funds expended on the programme prior to confirmation and receipt of funding from Liverpool City Council in April 2021. Restricted funds are funds received and expended in furtherance of LCVS's own charitable objectives but as directed by external funders. The balances comprise cash and other current balances held to support delivery of the programmes and are not intended to be held in the long term. Expenditure for specific projects can be scaled up or down in accordance with the funding available.

Settlers' Trust Fund

The charity administers a pooling scheme fund, the Settlers' Trust Fund, approved by the Charity Commission under the Charities Act 2011 as Common Investment Schemes for funds of which it is Trustee (see note 26).

Use of assets

The Trustees consider the value of assets to be fairly stated. The fixed assets of the charitable company and major changes therein during the period are recorded in the notes to the accounts.

Balance sheet in light of future plans

The Trustees consider that the balance sheet is strong enough to fulfil the short-term plans of the core activities and committed projects.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

In assisting voluntary organisations, LCVS acts as Custodian Trustee of the property of several unincorporated (or previously unincorporated) Merseyside charities (see note 31). LCVS securely holds the title deeds of such properties. There are no cash funds held but should this be the case they would be held in segregated bank accounts.

Assets held as custodian trustee are not included in these accounts.

RISK MANAGEMENT

The Board has a documented Risk Management Strategy and risk assessments are reviewed by the Finance Audit & Risk Committee with top level risks being highlighted in reports to the full Board.

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE
YEAR ENDED 31ST MARCH 2022**

Risks are identified together with an analysis of their impact and likelihood; the effectiveness of systems and procedures to mitigate those risks is considered and trends monitored. The overall level of risk is considered to be low–medium with only isolated activities and areas considered to be high. Below is a summary of the main areas of risk:

- **Property**

This is separately reported on since it is the single most significant asset on the balance sheet and its ability to cover its costs and generate a return is pivotal. In particular the Trustees consider the diversification of funding streams of tenant organisations and closely monitor, wherever possible, the financial sustainability and plans of each tenant.

- **Financial**

The charity relies on the income from its investments to fund elements of operational activity. Some of these funds have been withdrawn from equities and invested in the property and therefore there is a need to replace the foregone income. Risks include maintaining occupancy at appropriate rates particularly in light of changes in market conditions and working practices arising from the impact of the COVID-19 pandemic. Many tenants are smaller organisations on short term licences and existing tenants are continuing to face funding pressures which may lead to 'downsizing' or even vacating the premises. However, LCVS responds to enquiries from potential tenants, working with them to develop accommodation solutions which meet their needs and thus maintains LCVS's own income stream.

A fundamental risk to any charity is cashflow and the timing of receipts and payments. It is recognised that this is a particular issue for LCVS to ensure long term sustainability; currently the funds previously received by way of a £750,000 legacy are held in readily accessible investments and therefore can be called upon in the event of the need to support current cashflows.

- **Operational**

LCVS is facing new challenges to deliver services and support for organisations and individuals affected by the impact of the COVID-19 pandemic. This has required the organisation to adapt current working methods and work in new areas which gives rise to operational risks. Following an initial trial period 'hybrid' working is now adopted where appropriate and systems put in place to accommodate this.

The building gives rise to many issues - both legislative and operational. Apart from legal issues of 'getting it wrong', operational approach is the key to attracting and retaining tenants. In addition to outsourcing some property management roles, maintaining the standards and expectations of tenants is time consuming. A further consideration is the need to manage the service charge such that it is attractive for current tenants but, at the same time, allowing provision for major items which will need upgrade in the longer term.

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE
YEAR ENDED 31ST MARCH 2022**

- **Investments:**

Investment Income, either directly or through grants received from other charities, has a significant impact on the financial results and sustainability of LCVS. In particular, through the Settlers' Trust Fund, LCVS is responsible for the investment of funds of other charities. There are two specific areas of risk – the risk of poor performance (whether by the markets generally or our portfolios in particular) and risk of mal-administration leading to loss of funds. A further concern which has been addressed in the past year has been to undertake a detailed ethical review which clarified instructions to our investment managers. An updated Statement of Investment Principles has been reviewed and approved by the Board.

- **Covid-19**

The changed working methods necessitated by the Covid-19 pandemic have been reviewed with a now more flexible 'hybrid' pattern of many staff working both from the office and remotely. Systems have further been developed to facilitate this. The pandemic helped to strengthen our relationship with the sector as we all faced new challenges. Most of our traditional services and activities have returned to pre-pandemic levels.

The trustees are aware of the particular longer term risks of lower investment returns and the potential effect on building occupancy and these have been taken into account in the current strategic plan with associated financial forecasts.

- **Reputational Risk:**

One of LCVS's main strengths is its reputation – hard won, but very easy to tarnish. The main issues here are LCVS's direction of activity or particular approach to specific events and external communications. In particular LCVS has reviewed its policies and activities in light of ethical and diversity considerations (for example, agreeing a position on 'Black Lives Matter' and review of investment policies.)

Also important is that as a service organisation LCVS is largely reliant on the actions of its employees in carrying out activities in a manner consistent with the organisation's missions and values.

- **Pension Fund Shortfall:**

LCVS is an employer member of a scheme of The Pensions Trust which could give rise to a liability in the event of a 'triggering' action such as withdrawal, merger or other structural change. This would not be envisaged whilst the charity remains an operational going concern.

Since 1st April 2013, LCVS has made additional contributions; however, there is no guarantee that the debt on withdrawal will decrease, either as a result of market conditions or the effects of 'last man standing'. LCVS provides for the present value of future minimum payments agreed with the trustees of the scheme. This has resulted in a liability of £29,919 (2021: £130,579).

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE
YEAR ENDED 31ST MARCH 2022**

- ***Internet / IT Security:***

There is increased reliance on IT systems both internally and also our provision to third parties (tenants). LCVS is constantly upgrading systems in light of new developments and the need to ensure the integrity of the systems.

LCVS has security policies in place to protect personal details of individuals. Risk is mitigated through adoption of a Business Continuity Plan and outsourced support for our IT personnel.

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees & Directors

The Charity's Board of Trustees are also its Directors who are elected by Annual General Meeting of the members of the Charity. Casual vacancies are filled, as required, by the Board of Trustees in accordance with the Charity's Articles of Association.

Members of the Board of Trustees during the year were:

<u><i>Chair</i></u>	Heather Akehurst	(Resigned 25 th November 2021)
	Sonia Bassey	(From 25 th November 2021)
<u><i>Honorary Treasurer</i></u>	Michael Thomas	
<u><i>Other Members</i></u>	Dorcas Akeju	
	Sonia Bassey	(Appointed 20 th May 2021)
	Maxine Ennis	(Appointed 20 th May 2021)
	Jonathan Hesketh	(Resigned 16 th November 2021)
	Michael James	(Resigned 28 th April 2021)
	Kenneth Perry	
	John Price	
	Michael Salla	
	Louise Scholes	
	Gemma Shone	(Co-opted 20 th September 2022)
	James Sloan	
	Neil Sturmey	(Appointed 20 th May 2021)
	Henry Terefenko	(Appointed 20 th May 2021, Resigned 27 th July 2022)
	Susan Williams	(Resigned 23 rd June 2022)

Other Information

Chief Executive Clare White

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE
YEAR ENDED 31ST MARCH 2022**

**Legal and Administrative
Information (contd../)**

Company Secretary Graham Wright

Charity Number 223485

**Principal (&
Registered) Office:** 151 Dale Street, Liverpool L2 2AH
Telephone 0151 227 5177 E-mail info@lcvs.org.uk

Auditor: DSG Chartered Accountants, Castle Chambers,
43 Castle Street, Liverpool L2 9TL,

Bankers: HSBC, City Branch, 99 -101 Lord Street, Liverpool L2 6PG
The Co-Operative Bank, 1 Balloon Street, Manchester M60
4EP

Solicitors: Brabners Chaffe Street, Horton House, Exchange Flags,
Liverpool L2 3YL
Hill Dickinson LLP, No.1 St Paul's Square, Liverpool L3 9SJ

Investment Managers: Rathbones Investment Management, Port of Liverpool
Building, Pier Head, Liverpool L3 1NW
Investec Wealth & Investment, 100 Old Hall Street, Liverpool
L3 9AB

Pay Policy for Senior Staff

The Board of Trustees and the senior management team comprise the key management personnel of the charity. Trustees, who are directors of the charitable company, receive no remuneration. The pay of senior staff is set at market rates at the time of recruitment and reviewed regularly by the trustees in line with all other staff in the organisation.

DISCLOSURE OF INFORMATION TO AUDITOR

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

AUDITOR

DSG have agreed to offer themselves for re-election and a resolution proposing their re-appointment, at a remuneration to be determined by the Board of Trustees, will be placed before the Annual General Meeting.

SMALL COMPANY PROVISIONS

These accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees must prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE
YEAR ENDED 31ST MARCH 2022**

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

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

By order of the board of trustees,



Sonia Bassey, Chair
Date: 26 January 2023

INDEPENDENT AUDITOR'S REPORT

to the members of Liverpool Charity and Voluntary Services Group

Opinion

We have audited the financial statements of Liverpool Charity and Voluntary Services (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and parent charitable company Balance Sheets, the Consolidated Statement of Cash Flows and the 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 group's and the parent charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group and the parent 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 annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITOR'S REPORT

to the members of Liverpool Charity and Voluntary Services Group

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their 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 by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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 trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the parent charitable company for the purpose 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 group and the parent 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

INDEPENDENT AUDITOR'S REPORT

to the members of Liverpool Charity and Voluntary Services Group

unless the trustees either intend to liquidate the group or 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.

Capability of the audit in detecting irregularities, including fraud

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.

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the group and parent charitable company and therefore may have a material effect on the financial statements include compliance with charitable objectives, public benefit, fundraising regulations, safeguarding and health and safety legislation.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movement in account balances which may be indicative of fraud.

No instance of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that

INDEPENDENT AUDITOR'S REPORT

to the members of Liverpool Charity and Voluntary Services Group

material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities is available on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matter

The financial statements for the year ended 31 March 2021 were not audited by DSG.

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 auditors' 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.



Jean Ellis BA FCA CTA (Senior Statutory Auditor)

for and on behalf of DSG
Chartered Accountants
Statutory Auditor
Castle Chambers
43 Castle Street
Liverpool
L2 9TL
26 January 2023

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31ST MARCH 2022 (including Consolidated Income and Expenditure Account)

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
INCOME FROM:					
Donations and legacies	5	25,877	-	25,877	23,578
Charitable activities	6	1,161,485	5,618,450	6,779,935	2,786,545
Investment income	7	27,892	-	27,892	23,987
		-----	-----	-----	-----
Total income		1,215,254	5,618,450	6,833,704	2,834,110
		-----	-----	-----	-----
EXPENDITURE ON:					
Charitable activities	8-10	1,507,889	4,308,261	5,816,150	2,798,426
		-----	-----	-----	-----
Total expenditure		1,507,889	4,308,261	5,816,150	2,798,426
		-----	-----	-----	-----
Net (expenditure) / income before gains and losses		(292,635)	1,310,189	1,017,554	35,684
Net gains / (losses) on investments	16	20,435	-	20,435	178,612
		-----	-----	-----	-----
Net (expenditure) / income		(272,200)	1,310,189	1,037,989	214,296
Transfers between funds	22-23	81,432	(81,432)	-	-
		-----	-----	-----	-----
Net movement in funds		(190,768)	1,228,757	1,037,989	214,296
Reconciliation of funds					
Fund balances brought forward		7,776,722	(20,523)	7,756,199	7,541,903
Fund balances carried forward	21-23	7,585,954	1,208,234	8,794,188	7,756,199
		=====	=====	=====	=====

The net income / (expenditure) for the year was derived from continuing activities. The Statement of Financial Activities includes all gains and losses in the year.

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2022

	Notes	At 31 st March 2022 £	At 31 st March 2021 £
Fixed assets			
Programme Related Investments	11	7,618,783	7,618,783
Tangible fixed assets	12	1,271,369	1,303,635
Intangible fixed assets	13	12,624	9,736
		-----	-----
		8,902,776	8,932,154
Current assets			
Debtors	15	1,168,261	771,263
Current Asset Investments	16	1,113,204	1,092,769
Cash at bank and in hand		2,002,552	1,160,334
		-----	-----
		4,284,017	3,024,366
Current liabilities			
Creditors falling due within one year	17	(3,768,855)	(3,368,869)
		-----	-----
Net current assets / (liabilities)		515,162	(344,503)
		-----	-----
Total assets less current liabilities		9,417,938	8,587,651
Creditors falling due after more than one year	19	(593,831)	(700,873)
Provisions for liabilities	25	(29,919)	(130,579)
		-----	-----
Net Assets	21	8,794,188	7,756,199
		=====	=====
Funds:			
Unrestricted funds	21,22	7,585,954	7,776,722
Restricted funds	21,23	1,208,234	(20,523)
		-----	-----
Total Consolidated Funds		8,794,188	7,756,199
		=====	=====

The notes on pages 25 to 53 form part of these accounts.

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

These financial statements were approved by the trustees and authorised for issue on the 26th January 2023 and are signed on their behalf by:

Sonia Bassey MBE

Sonia Bassey

Chairman

Michael Thomas

Michael Thomas

Honorary Treasurer

Date : 26 January 2023

CHARITY BALANCE SHEET AS AT 31ST MARCH 2022

	Notes	At 31 st March 2022 £	At 31 st March 2021 £
Fixed assets			
Programme Related Investments	11	7,618,783	7,618,783
Tangible fixed assets	12	1,271,369	1,303,635
Intangible fixed assets	13	12,624	9,736
		-----	-----
		8,902,776	8,932,154
Current assets			
Debtors	15	1,168,269	771,271
Current Asset Investments	16	1,113,204	1,092,769
Cash at bank and in hand		1,989,841	1,149,833
		-----	-----
		4,271,314	3,013,873
Current liabilities			
Creditors falling due within one year	17	(3,762,276)	(3,364,500)
		-----	-----
Net current assets / (liabilities)		509,038	(350,627)
		-----	-----
Total assets less current liabilities		9,411,814	8,581,527
Creditors falling due after more than one year	19	(593,831)	(700,873)
Provisions for liabilities	25	(29,919)	(130,579)
		-----	-----
Net Assets	21	8,788,064	7,750,075
		=====	=====
Funds:			
Unrestricted funds	21,22	7,579,830	7,770,598
Restricted funds	21,23	1,208,234	(20,523)
		-----	-----
Total Charity Funds		8,788,064	7,750,075
		=====	=====

The charity has taken advantage of the exemption permitted by s408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities and related notes. The company's result for the period was a surplus of £1,037,989 (2021: surplus of £214,296). The notes on pages 25 to 53 form part of these accounts. The trustees have prepared Group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These financial statements were approved by the trustees and authorised for issue on the 26th January 2023 and are signed on their behalf by:

Sonia Bassey Chairman

Sonia Bassey MBE

Michael Thomas Honorary Treasurer

Michael Thomas

Date : 26 January 2023

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

	Notes	Year ended 31 st March 2022 £		Year ended 31 st March 2021 £	
Operating activities					
Cash generated from operations	32		968,310		131,997
Interest paid		(8,919)		(17,265)	
			-----		-----
Net cash from operations			959,391		114,732
			-----		-----
Investing activities					
Purchase of tangible fixed assets		(4,221)		(1,655)	
Purchase of intangible fixed assets		(5,910)		(-)	
			-----		-----
Net cash used in investing activities			(10,131)		(1,655)
			-----		-----
Financing activities					
Repayments of borrowings		(107,042)		(105,564)	
			-----		-----
Net cash (used in) / generated from financing activities			(107,042)		(105,564)
			-----		-----
Net increase in cash and cash equivalents			842,218		7,513
Cash and cash equivalents at beginning of the year			1,160,334		1,152,821
			-----		-----
Cash and cash equivalents at end of the year			2,022,552		1,160,334
			=====		=====
Represented by:			31 March 2022 £		31 March 2021 £
Cash at bank and in hand			2,022,552		1,160,334
			=====		=====

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

1. Limited Liability

Liverpool Charity and Voluntary Services (“LCVS”) is a private company limited by guarantee, incorporated in England and Wales (registration number 181759) and a registered charity (registration number 223485). In the event of the charity being wound up each member’s liability is limited to £1. The registered office is 151 Dale Street, Liverpool L2 2AH.

2. Accounting Policies

Basis of Accounting

The accounts 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 in the UK and Republic of Ireland – FRS102 (effective 1 January 2019) – (Charities SORP FRS102) and the Companies Act 2006.

LCVS meet the definition of a public benefit entity under FRS 102.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The accounts are presented in Sterling and rounded to the nearest £1.

Reduced disclosures

In accordance with FRS 102, the company has taken advantage of the exemptions from the following disclosure requirements in relation to its individual financial statements;

- Section 7 ‘Statement of Cash Flows’ – Presentation of a Statement of Cash Flow and related notes and disclosures
- Section 33 ‘Related Party Disclosures’ – Compensation for key management personnel

The financial statements of the company are consolidated in these group financial statements.

Going Concern

The Trustees acknowledge that the unprecedented level of uncertainty caused by Covid-19 followed by the current and forecast increases in cost of living mean that the judgements and estimates required by management continue to be more challenging than under normal circumstances.

The Trustees have given due regard to the increased pressure on income streams and have concluded that the positive level of general reserves, utilisation of available cash balances and additional funding mean that the going concern basis remains appropriate for the preparation of these financial statements.

The current three year forecasts indicate that, despite planned investment in growth of services, the Group and Charity will maintain sufficient liquidity to continue in operation for at least 12 months from the approval of these financial statements.

Initial forecasts prepared at the start of the year show deficits since, at this stage, many sources of potential income cannot be recognised with a degree of certainty. However, the Trustees are committed to ensuring that the organisation achieves at least break-even both in terms of reserves and cash generation prior to the planned investment in service development.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Management results are reviewed on a quarterly basis to ensure that the organisation is working to achieve this goal in each financial year.

The only external borrowings of the organisation are a bank loan in respect of the acquisition of 151 Dale Street and the trustees are confident that this loan can be serviced from the current level of income arising from the property; thus the going concern basis of accounting in preparing the annual financial statements has been used.

Consolidation

The consolidated financial statements incorporate those of the charity and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits) as under:

U W Giving (Registered Charity Number 516612; Registered Company Number 1925069) and United Trusts (Registered Charity Number 327579; Registered Company Number 2185697).

All financial statements are made up to 31st March except for United Trusts and UW Giving, whose financial year ends on 4th April 2022. No significant transactions or events occurred in the period between 31st March and 4th April 2022.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Income from donations is recognised in the accounts when received, with the exception of known legacies which are accounted for when their receipt is certain.

The accounts exclude income, grants and other expenditure in respect of Deeds of Covenant, Gift Aid and other monies to be passed on to charities, since, under these arrangements, collectively known as Charity Cheques schemes, the Charity acts in general at the direction of the donor.

Investment income is recognised on an accruals basis. Any realised gains and losses are dealt with through movements on the appropriate funds.

Income from charitable activities are recognised on an accruals basis. If it is specified that grants must be used in future accounting periods, the income is deferred until those periods.

The charity did not engage in fundraising in the period.

Government Grants

Income from charitable activities includes government grants which are recognised when the appropriate work has been completed and specific conditions have been met.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment.

Expenditure is allocated directly to the appropriate heading and general overhead apportioned based on an estimate of staff time applied to each activity. Management and governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Grants Payable

Grants payable are charged to the Statement of Financial Activities when they have been approved by the Board of Trustees.

Pension Costs

LCVS contributes to a multi-employer pension scheme, The Pensions Trust's Growth Plan (The Plan), operated by The Pensions Trust. Since the assets are co-mingled for investment purposes, it is not possible in the normal course of events to identify on a reasonable and consistent basis, the assets and liabilities of the scheme which are attributable to the charity. In accordance with FRS 102, the scheme is therefore accounted for as a defined contribution scheme. A liability is recognised for contributions arising from an agreement with the multi-employer plan that determines how the Group will fund a deficit. Contributions are discounted when they are not expected to be settled wholly within 12 months of the period end. No other post retirement benefits are provided to employees.

Taxation

The income and gains of the funds are exempt from taxation as they are applied for charitable purposes only.

Programme Related Investments

Fixed Assets which are acquired directly in order to further the objects of the charity are classified as Programme Related Investments. Whilst these assets may generate a financial return on the funds invested, they also provide a physical means of achieving the mission of the charity. Such assets are included at historical cost and are reviewed for any indications of impairment on an annual basis. Since the building, 151 Dale Street, is occupied by the charity itself for its own administrative purposes, it is classified as a mixed use investment under FRS102 and the portion of the building that is occupied by LCVS, as determined by square footage, is included within tangible fixed assets and depreciated accordingly.

Investments

Investments are classified as current assets where there is an intention to realise them in the short term and are initially measured at net transaction price and subsequently measured at fair value at each year end. Fair value is taken as mid-market price at the close of business on the valuation date. Changes in fair value are recognised as net gains / (losses) in the Statement of Financial Activities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Tangible Fixed Assets

Fixed assets (excluding investments) are initially measured at cost less accumulated depreciation and impairment losses. All capital expenditure of £1,000 and above and other significant items are treated as a fixed asset and depreciated on a straight line basis over its useful life as follows:

Furniture, fixtures and fittings	– over 5 years
Electrical equipment (including computers)	– over 3 years
Buildings	– over 50 years
Land (included in Land & Buildings) is not depreciated.	

The gain / (loss) arising from the disposal of an asset is determined as the difference between the net sale proceeds and the carrying value of the asset and is recognised in the Statement of Financial Assets.

Impairment

At each year end, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible Fixed Assets

Computer software is included at cost less accumulated amortisation and impairment losses. From 1st April 2016 all capital expenditure of £1,000 and above and other significant items have been treated as a fixed asset and amortised at 25% per annum on a reducing balance basis to reflect the period over which benefits are expected to arise.

Cash at bank and in hand

Cash at bank and in hand includes cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

Financial Instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Funds Structure

The accounts include both unrestricted funds and restricted funds which are detailed in notes 22 and 23 respectively.

- **Unrestricted funds** comprise reserves which have been built up over a number of years to finance the Charity's general activities, the use of which is at the discretion of the trustees. Unrestricted funds can be designated if they have been set aside at the discretion of the trustees for specific purposes; where this is the case the purposes and uses of the designated funds are set out in the notes to the accounts. Unrestricted funds are primarily held in the form of fixed assets rather than cash balances and, to this extent, are not realisable in the short term.
- **Restricted funds** are those funds which have been granted to the trustees to be expended for specific purposes as outlined in Note 23.

Employee Costs

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when there is a clear decision or commitment to terminate the employment or provide such termination benefits.

3. Key estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows:

Useful life of fixed assets

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

In making decisions regarding the depreciation of fixed assets, management must estimate the useful life of said assets to the business. A change in estimate would result in a change in the depreciation charged in the statement of financial activities in each year.

Discount rate – pension commitments

In determining the provision for pension commitments management must estimate the discount rate at which to calculate the present value of future minimum payments, using an appropriate index as the base. The impact of a change in the assumption could have a significant impact on the provision.

Critical areas of judgement

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Valuation of programme related investments –

The property 151 Dale Street is included in the accounts at cost and reviewed annually for any indications of impairment. Given the special nature of this property in that it is integral to the charity meeting its objectives, and the fact that there are special relationships with tenants, typical value in use calculations are not reflective of the true value to the charity. In making a decision regarding the potential impairment of this asset, management consider the purpose for which it was originally acquired and apply judgement as to how the property is meeting those defined objectives.

4. Subsidiaries

LCVS is a member of and controls U W Giving (Registered Charity Number 516612; Registered Company Number 1925069) and United Trusts (Registered Charity Number 327579; Registered Company Number 2185697). The registered office of each company is 151 Dale Street, Liverpool L2 2AH.

United Trusts was dormant throughout the year.

U W Giving operates as a payroll-giving agency charity and promotes (i) donations from the payroll to charities chosen by individuals, and (ii) donations made by employees acting together. From 5th April 2019 the charity only recognises those contributions which it receives directly.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Below is a summary of results for the subsidiaries:

	U W Giving		United Trusts	
	2022 £	2021 £	2022 £	2021 £
Total Incoming Resources	112,462	119,199	-	-
Total Resources Expended	(112,462)	(119,199)	-	-
	-----	-----	-----	-----
	-	-	-	-
Total funds brought forward	6,124	6,124	-	-
	-----	-----	-----	-----
Total funds carried forward	6,124	6,124	-	-
	=====	=====	=====	=====
Represented by:				
Debtors	6,124	6,124	-	-
Cash at bank	5,096	2,233	7,615	8,268
Creditors : amounts falling due within 1 year	(5,096)	(2,233)	(7,615)	(8,268)
	-----	-----	-----	-----
Total funds carried forward	6,124	6,124	-	-
	=====	=====	=====	=====

United Trusts is exempt from audit by virtue of s.477 of the Companies Act 2006.

5. Income from Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Donations & sundry grants	25,877	-	25,877	23,578
Legacies	-	-	-	-
	-----	-----	-----	-----
	25,877	-	25,877	23,578,
	=====	=====	=====	=====

The income from donations and legacies in 2021 was all included within unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

6. Income from Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Programmes	-	4,944,608	4,944,608	447,267
Services to Charities and Voluntary Organisations	804,053	59,459	863,512	967,877
Services to Donors	129,508	-	129,508	105,756
Enablers	118,225	-	118,225	317,220
Strong Foundations	109,699	614,383	724,082	948,425
	1,161,485	5,618,450	6,779,935	2,786,545
	=====	=====	=====	=====

The income from charitable activities in 2021 was £2,786,545 of which £1,983,680 was unrestricted and £802,865 was restricted funds.

Government Grants: Income from charitable activities (Services to Charities and Voluntary Organisations and Programmes) includes the following grants from local authorities:

- £39,459 (2021: £39,457) Community Resource Grant received from Liverpool City Council to fund infrastructure support by LCVS and another infrastructure delivery agency, Equality and Employment Law Centre Ltd .
- £10,000 (2021: £10,000) from Liverpool City Council to fund support for organisations working with young people.
- £3,865,001 (2021: £190,000) funding from Liverpool City Council for organisations delivering activities as part of the LCVS Community Impact Programme, The Play Partnership.
- £6,500 (2021: £13,000) in various grants applied for by the MyClubMoor committee from Liverpool City Council to undertake specific projects.
- £76,000 (2021: £25,000) funding from Liverpool City Council to support the establishment of a new project to tackle food insecurity
- £614,383 (2021: £584,000) from Liverpool City Council to support LCVS Covid-19 response costs and support for the voluntary sector
- £500,000 (2021 : £nil) from Liverpool City Council for a grants programme for Voluntary Sector delivery of projects to support mental health and wellbeing to counter the effects of Covid and support people coming out of lockdown
- £250,000 (2021 : £nil) Social Model of Health Administration to run a grants programme

7. Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
Interest on Cash Balances	-	-	-	2
Income from Settlers Trust Fund	27,892	-	27,892	23,985

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

27,892	-	27,892	23,987
=====	=====	=====	=====

The investment income in 2021 was £23,987 of which £23,986 was unrestricted and £1 was restricted funds.

8. Expenditure on Charitable activities

	Activities undertaken directly	Grant funding of activities	Allocation Of Core Costs	2022 TOTAL	2021 TOTAL
	£	£	£	£	£
Programmes	129,363	4,139,949	-	4,269,312	1,391,908
Services to Charities and Voluntary Organisations	824,547	-	-	824,547	714,774
Services to Donors	90,092	-	-	90,092	76,917
Enablers	118,566	-	-	118,566	118,347
Strong Foundations	-	-	513,633	513,633	496,480
	1,162,568	4,139,949	513,633	5,816,150	2,798,426
	=====	=====	=====	=====	=====

The expenditure on charitable activities was £5,816,150 (2021: £2,798,426) of which £1,507,889 (2021: £1,896,113) was unrestricted and £4,308,261 (2021: £902,313) was restricted funds.

Included within Expenditure on Charitable Activities (Services to Charities and Voluntary Organisations) is an amount of £8,919 (2021: £17,265) relating to interest on the bank loan.

Grant funding of activities:	2022 TOTAL £	2021 TOTAL £
Liverpool & Merseyside Charities Funds	10,000	10,000
Play Partnership (HAF)	3,153,394	260,000
Violence Reduction Unit	-	285,169
The Ellie Trust	64,330	-
Covid Response	573,338	-
AoP Micro Commissioning Grants	12,000	-
VCF Mental Health Grant Scheme	211,425	-
Emergency CIF Grant	3,000	-
Ways to Wellbeing	-	3,000
Pen Natal Grants	-	19,180
Wirral Council MAMHS	-	41,753
UW Giving – distributed by Charities Aid Foundation in accordance with individual donors' direct instructions	112,462	119,199
Group Total	4,139,949	738,301
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Grants made under the Liverpool & Merseyside Charities Funds are paid directly to individuals as part of the LCVS hardship grants programme. All other grants are paid to institutions, as under:

Play Partnership (HAF)	Approximately 400 individual grants	£3,153,394
The Ellie Trust	South Liverpool Domestic Abuse Services HEAT	£19,375 £44,955
Covid Response	Approximately 70 individual grants	£573,338
AoP Micro Commissioning Group	6 grants x £2,000	£12,000
VCF Mental Health Grant Scheme	20 grants	£211,425
Emergency CIF Grant	1 grant x £3,000	£3,000

No core costs or support costs are allocated to grant giving.

Governance costs are included under 'Strong Foundations' and comprise:

	2022 £	2021 £
Core costs	90,742	62,957
Audit	33,000	35,814
	-----	-----
TOTAL GOVERNANCE COSTS	123,742	98,771
	=====	=====

Core costs relate wholly to Corporate Overheads, comprising a percentage recharge of the salary costs of the Chief Executive Officer and Director of Finance and Resources.

Allocation of Core Costs

Only overheads relating directly to each delivery area are charged as expenditure. LCVS's general core costs are classified under 'Strong Foundations' and are separately identified. These comprise:

	2022 £	2021 £
Core Salaries	158,918	187,014
Unwinding of Pension Fund Commitment	33,976	32,986
Property Costs	97,106	99,186
Marketing	5,562	900
IT Provision	11,510	7,814
Audit	33,000	35,814
Administration	72,599	38,590
Provision for Doubtful Debts	61,453	53,754
Depreciation	36,487	37,176
Amortisation	3,022	3,246

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

TOTAL CORE COSTS	513,633	496,480
	=====	=====

9. Net Expenditure for the Year

	2022 £	2021 £
This is stated after charging :		
a. Depreciation	36,487	37,176
Amortisation	3,022	3,240
	=====	=====
b. Auditor's remuneration		
- audit	33,000	35,814
- other services	-	-
	-----	-----
	33,000	35,814
	=====	=====
c. Operating lease costs	2,025	2,025
	=====	=====

10. Staff Costs and Numbers – Group & Charity

	2022 £	2021 £
Staff costs were as follows:		
salaries	582,518	609,327
social security	47,915	50,090
pension costs	61,898	60,599
	-----	-----
	692,331	720,016
	=====	=====

The average number of employees during the year was as follows:

	2022 Number	2021 Number
Direct charitable activities	12	14
Management and administration	13	12
	-----	-----
	25	26
	===	===

1 employee received emoluments of more than £60,000 during the year (2021: none, as under:

£65,001 - £70,000	1	-
-------------------	---	---

The Trustees, being also the Directors of the company, are not remunerated for their services. No trustees have claimed expenses (2021: £nil); trustees are not included in the above number of employees.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

11. Programme Related Investments – Group & Charity

	2022	2021
	£	£
<i>Property Investment:</i>		
Cost at beginning of the year	7,618,783	7,618,783
Additions during the year	-	-
	-----	----
Cost at end of the year	7,618,783	7,618,783
	=====	=====

LCVS purchased the freehold property of 151 Dale Street which has become a resource centre for the voluntary sector in Liverpool, providing facilities and office accommodation at an affordable cost to organisations. The provision of this accommodation and associated services assists LCVS in meeting its charitable objectives.

LCVS itself is located in the building which has led to efficiency improvements and also the benefit of becoming more accessible to the sector. Refurbishment work has been completed and the building currently runs at approximately 90% occupancy; LCVS receives income in the form of rent from tenants and also users of the conference and meeting facilities.

In February 2019, a valuation of the building was undertaken by BNP Paribas Real Estate for the purposes of the Co-Operative Bank. The market value for security purposes was considered to be £3million. This figure was based upon the commercial value of the existing licences and tenancies and therefore takes no account of the special circumstances and relationships with occupiers.

The Programme Related Investment is reviewed annually for any indications of impairment. A decision has been made not to impair the property since it is still being used for the purpose for which it was acquired and developed, and this is not expected to change going forward. The property is integral to the charity meeting its objectives and is therefore classified as a Programme Related Investment. The property is included in these accounts at historic cost.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

12. Tangible Fixed Assets - Group & Charity

	Freehold Land & Buildings	Computer & Other Equipment	Total
Cost	£	£	£
Balance at 1 st April 2021	1,710,978	231,330	1,942,308
Additions during the year	-	4,221	4,221
	-----	-----	-----
Balance at 31 st March 2022	1,710,978	235,551	1,946,529
	-----	-----	-----
Depreciation and impairment			
Balance at 1 st April 2021	409,982	228,691	638,673
Charge for the year	34,220	2,267	36,487
	-----	-----	-----
Balance at 31 st March 2022	444,202	230,958	675,160
	-----	-----	-----
Carrying amount at 31st March 2022	1,266,776	4,593	1,271,369
	=====	=====	=====
Carrying amount at 31st March 2021	1,300,996	2,639	1,303,635
	=====	=====	=====

All tangible fixed assets are used in the direct charitable activities of the charity.

13. Intangible Fixed Assets - Group & Charity

	Computer Software	Total
Cost	£	£
Balance at 1 st April 2021	22,477	22,477
Additions during the period	5,910	5,910
	-----	-----
Balance at 31 st March 2022	28,387	28,387
	-----	-----
Amortisation and impairment		
Balance at 1 st April 2021	12,741	12,741
Charge for the period	3,022	3,022
	-----	-----
Balance at 31 st March 2022	15,763	15,763
	-----	-----
Carrying amount at 31st March 2022	12,624	12,624
	=====	=====
Carrying amount at 31st March 2021	9,736	9,736
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

All intangible fixed assets are used in the direct charitable activities of the charity.

14. Distribution Funds – Group & Charity

These are charitable monies given to LCVS, as trustee, to be passed on to charities in accordance with the donors' instructions. Ordinarily LCVS has no power to spend these monies and therefore these balances are not included on the charity or consolidated balance sheets. However LCVS and the Distribution bank funds are amalgamated to maximise returns on the money market.

	2022	2021
	£	£
Funds held at the end of the year	755,061	820,126
	=====	=====
<i>Represented by:</i>		
Cash balances held by LCVS	452,000	452,000
Bank balance	282,716	356,615
Other Debtors	20,345	11,511
	-----	-----
	755,061	820,126
	=====	=====

15. Debtors

	2022		2021	
	Group	Charity	Group	Charity
	£	£	£	£
Trade debtors	255,019	255,019	91,941	91,941
Prepayments and accrued income	242,755	242,755	269,719	269,719
Other debtors	670,487	670,487	409,603	409,603
United Trusts Intercompany Account	-	8	-	8
	-----	-----	-----	-----
	1,168,261	1,168,269	771,263	771,271
	=====	=====	=====	=====

Trade debtors are stated net of a provision for doubtful debts of £144,845 (2021: £83,392)

16. Current Asset Investments – Group & Charity

	2021	2021
	£	£
<i>Quoted Investments:</i>		
Carrying amount as at 1 st April 2021	1,092,769	914,157
Additions during the period	-	-
Net unrealised/realised gains on investment assets	20,435	178,612
	-----	-----
Carrying amount as at 31st March 2022	1,113,204	1,092,769
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Historic cost at 31 st March 2021	969,666	969,666
	=====	=====
<i>At market value:</i>		
Share of Settlers' Trust Fund (see note 26)	1,113,204	1,092,769
	=====	=====

17. Creditors falling due within one year

	2022		2021	
	Group	Charity	Group	Charity
	£	£	£	£
Bank Loan	100,000	100,000	100,000	100,000
Trade Creditors	526	526	2,604	2,604
Accruals and deferred income	841,430	841,430	774,733	774,733
Tax and social security costs	901	901	15,001	15,001
Other creditors	2,825,998	2,813,295	2,476,531	2,466,038
Intercompany Accounts	-	6,124	-	6,124
	-----	-----	-----	-----
	3,768,855	3,762,276	3,368,869	3,364,500
	=====	=====	=====	=====

Amounts due to Trust and Distribution funds held by LCVS for distribution are included in Other creditors £2,453,000 (2021: £2,453,000) and accruals £263,342 (2021: £263,342).

18. Deferred income – Group & Charity

	2022	2021
	£	£
Balance at beginning of period	-	-
Additional amounts deferred	2,000	-
Release of deferred income	(-)	(-)
	-----	-----
Balance at end of period	2,000	-
	=====	=====

19. Creditors falling due after more than one year – Group & Charity

	2022	2021
	£	£
Bank loan	593,831	700,873
	-----	-----
	593,831	700,873
	=====	=====

A loan facility of £1.7 million was arranged with The Co-operative Bank plc to assist in the acquisition and refurbishment of 151 Dale Street. This has been fully drawn down and capital repayments commenced in the 2012 year end. Interest is calculated at The Co-operative Bank

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

plc Base Rate plus 1.5%. The security for this loan is a first legal charge over the premises, 151 Dale Street, Liverpool.

Analysis of debt maturity:

	2022	2021
	£	£
Amounts payable :		
In one year or less or on demand	100,000	100,000
In more than one year but not more than two years	100,000	100,000
In more than two years but not more than five years	300,000	300,000
In five years or more	193,831	300,873
	-----	-----
	693,831	800,873
	=====	=====

20. Financial instruments – Group

	2022	2021
	£	£
Financial assets measured at amortised cost	1,075,329	538,653
Equity instruments measured at fair value through income and expenditure	1,113,204	1,092,769
	-----	-----
	2,188,533	1,631,422
	=====	=====

	2022	2021
	£	£
Financial liabilities measured at amortised cost	4,361,785	4,054,741
	-----	-----
	4,361,785	4,054,741
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

21. Analysis of Net Assets between Funds 2022

	Programme related investments	Fixed assets	Net current liabilities	Long term liabilities	Provisions	TOTAL
Charity	£	£	£	£	£	£
Unrestricted Funds						
General Fund	1,599,245	1,283,993	(699,196)	(593,831)	(29,919)	1,560,292
151 Dale Street Fund	6,019,538	-	-	-	-	6,019,538
	<u>7,618,783</u>	<u>1,283,993</u>	<u>(699,196)</u>	<u>(593,831)</u>	<u>(29,919)</u>	<u>7,579,830</u>
Restricted Funds						
Wirral Council	-	-	47	-	-	47
MAMHS	-	-	15,978	-	-	15,978
MyClubMoor	-	-	641,607	-	-	641,607
LCVS Community	-	-	-	-	-	-
Impact Programme: Play Partnership	-	-	41,964	-	-	41,964
Feeding Liverpool	-	-	251,188	-	-	251,188
VCF Mental Health	-	-	250,000	-	-	250,000
Social Model of Health Administration	-	-	7,450	-	-	7,450
John Moores Foundation	-	-	1,208,234	-	-	1,208,234
	<u>-</u>	<u>-</u>	<u>1,208,234</u>	<u>-</u>	<u>-</u>	<u>1,208,234</u>
Charity Total	7,618,783	1,283,993	509,038	(593,831)	(29,919)	8,788,064
UW Giving - Unrestricted	-	-	6,124	-	-	6,124
Group Total	7,618,783	1,283,993	515,162	(593,831)	(29,919)	8,794,188
Group Unrestricted	7,618,783	1,283,993	(693,072)	(593,831)	(29,919)	7,585,954
Group Restricted	-	-	1,208,234	-	-	1,208,234
	<u>7,618,783</u>	<u>1,283,993</u>	<u>515,162</u>	<u>(593,831)</u>	<u>(29,919)</u>	<u>8,794,188</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

21. Analysis of Net Assets between Funds (continued...)

2021

	Programme related investments	Fixed assets	Net current liabilities	Long term liabilities	Provisions	TOTAL
Charity	£	£	£	£	£	£
Unrestricted Funds						
General Fund	1,599,245	1,313,371	(330,104)	(700,873)	(130,579)	1,751,060
151 Dale Street Fund	6,019,538	-	-	-	-	6,019,538
	<u>7,618,783</u>	<u>1,313,371</u>	<u>(330,104)</u>	<u>(700,873)</u>	<u>(130,579)</u>	<u>7,770,598</u>
Restricted Funds						
Wirral Council	-	-	47	-	-	47
MAMHS	-	-	24,430	-	-	24,430
MyClubMoor	-	-	(70,000)	-	-	(70,000)
LCVS Community	-	-	25,000	-	-	25,000
Impact Programme: Play Partnership	-	-	(20,523)	-	-	(20,523)
Feeding Liverpool	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>(20,523)</u>	<u>-</u>	<u>-</u>	<u>(20,523)</u>
Charity Total	7,618,783	1,313,371	(350,627)	(700,873)	(130,579)	7,750,075
UW Giving - Unrestricted	-	-	6,124	-	-	6,124
Group Total	7,618,783	1,313,371	(344,503)	(700,873)	(130,579)	7,756,199
Group Unrestricted	7,618,783	1,313,371	(323,980)	(700,873)	(130,579)	7,776,722
Group Restricted	-	-	(20,523)	-	-	(20,523)
	<u>7,618,783</u>	<u>1,313,371</u>	<u>(344,503)</u>	<u>(700,873)</u>	<u>(130,579)</u>	<u>7,756,199</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

22. Unrestricted Funds – Group & Charity

The General Fund is used to finance the Charity's general activities as outlined in the Trustees' Report.

Trustees have designated the funds which were originally realised and used to purchase the charity's programme related investment as a separate '151 Dale Street Fund'. This fund is held entirely as a fixed asset. This is intended to recognise the long term nature of such reserves and will be re-visited in later years if more general funds are permanently applied for this purpose.

2022	Resources at beginning of year £	<u>Movements in the year</u>			Gain) on Investment Assets £	Resources at end of year £
		Income £	Expenditure £	Transfers £		
General Fund	1,751,060	1,215,254	(1,507,889)	81,432	20,435	1,560,292
151 Dale Street Fund	6,019,538	-	-	-	-	6,019,538
Charity Totals	7,770,598	1,215,254	(1,507,889)	81,432	20,435	7,579,830
UW Giving	6,124	-	-	-	-	6,124
Total Funds	7,776,722	1,215,254	(1,507,889)	81,432	20,435	7,585,954

Transfers: Transfers from restricted funds represent elements of grant attributable to LCVS for administering programmes; transfer to MyClubMoor represents a grant awarded to this programme.

2021	Resources at beginning of year £	<u>Movements in the year</u>			Gain) on Investment Assets £	Resources at end of year £
		Income £	Expenditure £	Transfers £		
General Fund	1,456,497	2,031,244	(1,896,113)	(19,180)	178,612	1,751,060
151 Dale Street Fund	6,019,538	-	-	-	-	6,019,538
Charity Totals	7,476,035	2,031,244	(1,896,113)	(19,180)	178,612	7,770,598
UW Giving	6,124	-	-	-	-	6,124
Total Funds	7,482,159	2,031,244	(1,896,113)	(19,180)	178,612	7,776,722

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Transfers: Transfers from general fund represent contribution to delivery of the Play Partnership (LCVS Community Impact Programme).

23. Restricted Funds – Group & Charity

2022	<u>Movements in the year</u>					
	Resources at beginning of year £	Income £	Expenditure £	Transfers £	(Losses) on Investment Assets £	Resources at end of year £
Liverpool City Council CRG	-	39,459	(39,459)	-	-	-
Liverpool City Council Youth Funding	-	10,000	(10,000)	-	-	-
LCVS Community Impact Programme:						
- Play Partnership/HAF	(70,000)	3,865,001	(3,153,394)	-	-	641,607
The Ellie Trust	-	67,330	(64,330)	(3,000)	-	-
AoP Micro Grants	-	12,000	(12,000)	-	-	-
Feeding Liverpool	25,000	88,500	(71,536)	-	-	41,964
VCF Mental Health	-	500,000	(211,425)	(37,387)	-	251,188
Wirral Council MAMHS	47	-	-	-	-	47
MyClubMoor	24,430	49,315	(62,767)	5,000	-	15,978
LCC Covid Support	-	614,383	(568,338)	(46,045)	-	-
Social Model of Health Administration	-	250,000	-	-	-	250,000
John Moores Foundation	-	10,000	(2,550)	-	-	7,450
Charity Totals	(20,523)	5,505,988	(4,195,799)	(81,432)	-	1,208,234
UW Giving distributions	-	112,462	(112,462)	-	-	-
Total Funds	(20,523)	5,618,450	(4,308,261)	(81,432)	-	1,208,234

Transfers: Transfers to general fund represent elements of grant attributable to LCVS for administering programmes; transfer to MyClubMoor represents a grant awarded to this programme.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

2021

	Resources at beginning of year £	<u>Movements in the year</u>			(Losses) on Investment Assets £	Resources at end of year £
		Income £	Expenditure £	Transfers £		
Liverpool City Council CRG	-	39,457	(39,457)	-	-	-
Liverpool City Council Youth Funding	-	10,000	(10,000)	-	-	-
LCVS Community Impact Programme:						
- Play Partnership	-	190,000	(260,000)	-	-	(70,000)
Ways to Wellbeing	-	3,000	(3,000)	-	-	-
Violence Reduction Unit	-	285,169	(285,169)	-	-	-
Feeding Liverpool	-	25,000	(-)			25,000
Peri Natal Grants	-	-	(19,180)	19,180		-
Wirral Council MAMHS	41,800	-	(41,753)	-	-	47
MyClubMoor	17,944	131,041	(124,555)			24,430
Charity Totals	59,744	683,667	(783,114)	19,180	-	(20,523)
UW Giving distributions	-	119,199	(119,199)	-	-	-
Total Funds	59,744	802,866	(902,313)	19,180	-	(20,523)
	=====	=====	=====	=====	=====	=====

Transfers: Transfers from general fund represent contribution to delivery of the Play Partnership (LCVS Community Impact Programme).

Description of Funds

These are monies given to the Charity to be spent at the discretion of the Charity's Board of Trustees for specific charitable purposes, as follows:

a. Liverpool City Council CRG

Funding is received from Liverpool City Council Community Resources Grants team towards the costs of providing capacity building services to Liverpool organisations. Funding for the year was £39,459 (2021: £39,457) which has been fully spent.

b. Liverpool City Council Youth Funding

Funding received from Liverpool City Council to provide capacity building support services to organisations working with and benefitting young people.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

c. LCVS Community Impact Programme: Play Partnership / HAF

Programme to tackle specific areas of local need. Significant funds received via Liverpool City Council to support holiday activities. At 31 March 2021 Play Partnership funds were in deficit by £70,000) due to grant funding expended prior to confirmation and receipt of funding from Liverpool City Council in April 2021.

d. The Ellie Trust

A grants programme to provide support to domestic abuse organisations

e. AoP Micro Grants

Small grants programme administered on behalf of Citizens Advice Bureau

f. Ways to Wellbeing

Small grants programme administered on behalf of Citizens Advice Bureau

g. Violence Reduction Unit

Funding received to support LCVS's lead role in delivering a grants programme to tackle knife crime.

h. Feeding Liverpool

Funds from Liverpool City Council and other sources received on behalf of a newly established project to tackle food insecurity in Liverpool.

i. Peri Natal Grants

Distribution of funding on behalf of a third party.

j. VCF Mental Health

Grant programme for Voluntary Sector delivery of projects to support mental health and wellbeing to counter the effects of Covid and support people coming out of lockdown

k. Wirral Council MAMHS

Funding received to deliver a grants programme to tackle mens' mental health / suicide programme.

l. MyClubMoor

Funding received from various sources, primarily Local Trust, to LCVS as the Local Trusted Organisation for the MyClubMoor project for running costs and specific projects.

m. LCC Covid Support

Funding received from Liverpool City Council to support local trusted organisations through the financial effects of the Covid pandemic.

n. Social Model of Health Administration

Social Wellbeing grant programme for groups focusing on CCG priorities around key issues.

o. UW Giving distributions

Donations received by the subsidiary company, UW Giving, fully distributed by Charities Aid Foundation (CAF) in accordance with individual donors' direct instructions. From 5th April 2019 only those contributions received directly by the charity are included in these accounts; other contributions are received and distributed directly by CAF with no reference to UW Giving.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

p. John Moores Foundation

Contribution to the general activity of the capacity building team.

24. Guarantees and Other Financial Commitments

Financial commitments under non-cancellable operating leases relating to office equipment for both the company and the group were as follows:

	2022	2021
	£	£
Total future minimum lease payments :		
Not later than one year	1,503	1,503
Later than one year and not later than five years	-	-
	-----	-----
	1,503	1,503
	=====	=====

At 31st March 2022, LCVS was a member of United Trusts and U W Giving. These are companies limited by guarantee and therefore, in the event of insolvent winding up, LCVS would be required to make a nominal guarantee payment in respect of each. The maximum liability would be £2.

25. Pension Obligations: TPT Retirement Solutions – The Growth Plan

LCVS participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation

	31 March 2022 (£s)	31 March 2021 (£s)	31 March 2020 (£s)
Present value of provision	29,919	130,579	158,419

showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2022 to 31 January 2025:	£3,312,000 per annum	(payable monthly)
---------------------------------------	----------------------	-------------------

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 30 September 2025:	£11,243,000 per annum and increasing by 3% each on 1st April	(payable monthly)
---	---	-------------------

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

PRESENT VALUES OF PROVISION

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	Period Ending	Period Ending
--	---------------	---------------

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

	31 March 2022	31 March 2021
	(£s)	(£s)
Provision at start of period	130,579	158,419
Unwinding of the discount factor (interest expense)	2,444	3,811
Deficit contribution paid	(33,976)	(32,986)
Remeasurements - impact of any change in assumptions	(335)	1,335
Remeasurements - amendments to the contribution schedule	(68,793)	-
Provision at end of period	29,919	130,579

INCOME AND EXPENDITURE IMPACT

	Period Ending 31 March 2022 (£s)	Period Ending 31 March 2021 (£s)
Interest expense	2,444	3,811
Remeasurements – impact of any change in assumptions	(335)	1,335
Remeasurements – amendments to the contribution schedule	(68,793)	-
Contributions paid in respect of future service*	-	-
Costs recognised in income and expenditure account	-	-

*includes defined contribution schemes and future service contributions (i.e. excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

ASSUMPTIONS

	31 March 2022 % per annum	31 March 2021 % per annum	31 March 2020 % per annum
Rate of discount	2.99	2.15	2.71

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.

The following schedule details the deficit contributions agreed between the company and the

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

scheme at each year end period:

DEFICIT CONTRIBUTIONS SCHEDULE

Year ending	31 March 2022 (£s)	31 March 2021 (£s)	31 March 2020 (£s)
Year 1	10,993	33,976	32,986
Year 2	10,993	34,995	33,976
Year 3	9,161	36,045	34,995
Year 4	-	30,939	36,045
Year 5	-	-	30,939

26. Pooling Scheme Funds

The Charity administers a pooling scheme fund, the Settlers' Trust Fund, approved by the Charity Commission under the Charities Act 2011 as Common Investment Schemes for funds of which it is Trustee.

At 31st March 2022 the assets of the Settlers' Trust Fund had a total market value of £33,341,352 (£31,069,480 at 31st March 2021) of which £1,113,204 (£1,092,769 at 31st March 2021) is an asset of the Charity. Total income earned on the assets of the Settlers' Trust Fund was £766,848 for the year ended 31st March 2022 (£676,814 for the year ended 31st March 2021) of which the Charity's income was £27,892 (£23,985 for the year ended 31st March 2021).

27. Personal Charitable Trusts

The Charity is Trustee of Personal Charitable Trusts which are listed below. These are all registered charities and a separate Annual Report is prepared for each of them.

N.L. Arthurson Fund
 John Behrend Fund
 Richard Behrend Charitable Trust
 Edward Bibby Fund
 J.B. Bibby Fund
 Leslie Bibby Fund
 The Peter Bibby Charitable Trust
 Susan Bibby Fund
 Henry Birch Fund
 Mrs. R.J. Bradley's Charity
 Derek & Chris Bunting Foundation
 Mrs. M.J. Cunnah's Charity
 Dove Charitable Trust
 William Edmonds Fund
 Emerald Charitable Trust
 Fellowship Farm Guest House Trust
 David Fryer Charitable Trust

Fulton Charitable Trust
 The Kelly and Bernard Gadney Fund
 A.L. Grant 1st Charitable (Fund)
 Harding Charitable Trust
 Miss A.M. Harding Charity
 M.E. Hawkes Charitable Trust
 R.G. Hetherington Fund
 Hobhouse Fund
 Harvey Hughes Jones Fund
 Brian James Fund
 B.R. Jardine Charitable Trust
 Andrew Jones Charitable Trust
 Neil Jones Charitable Trust
 Penelope Jones Charitable Trust
 Mrs F.M Kaye-Krzeczkowski Charitable Trust
 Kitchen Table Charities Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

Mrs. E.C. Lanceley's Charity

Macamish Trust

The Claire McKeever Trust

Margaret E. Moss Fund

Adam C.I. Naylor Charitable Trust

R.Christopher Naylor (Harriet) Fund

R. Christopher Naylor (Thomas) Fund

T.P. Naylor Trust

Helen Nilsen Fund

John & Shenagh Norman Charitable Trust

Nutmeg Charitable Trust

Sir Harry Pilkington Fund

Pilkington Jones Charitable Trust Fund

H.J Rawlings Trust

M.J. Ridges Charitable Trust

Sansaw and Hardwicke Charitable Fund

Sheba Charitable Trust

Sharples Charitable Trust

Shone No. 2 Charitable Trust

Standfield Charitable Trust

The Stoddart Charitable Trust

Surrey Square Charitable Trust

Sutcliffe Family Charitable Trust

The Tavener Charitable Trust

Cecil Taylor Family Charitable Trust

Caroline Tod Charitable Trust

Topaz Charitable Trust

Trefula Trust Fund

Whinlatter Fund

Whitlock Blundell Charitable Trust

28. Charitable Trusts of which the Charity is Co-Trustee

The Charity is also a Trustee of the following charitable trusts. In these cases it shares trusteeship with a number of individuals. These are all registered charities and a separate Annual Report is prepared for each of them.

The Anber Fund

The Amelia Chadwick Trust

Sir Andrew Martin Trust for Young People

The Rushworth Trust

The J A Shone Memorial Trust

The David and Ruth Behrend Fund

The David Lewis Association

The Mushroom Fund

The Selwyn Lloyd Charitable Trust

The T.I.F Tod Charitable Trust

29. Other Funds

The Charity is also Trustee of a number of small charitable trusts and funds as listed below. A separate Annual Report is prepared for each of these.

Aged Women's Pension Charity

Robert Davies Trust

Liverpool Dispensaries Fund

Robert Orr Crichton Memorial Fund

Liverpool Auxiliary Pension Fund

30. Related Parties

The remuneration paid to the senior management team, who are considered to be the key management personnel for the group was £129,421 (2021: £133,379).

LCVS is a corporate trustee of the charitable trusts listed in notes 27 to 29 and provides administration services on an arms-length basis to these trusts. At 31st March 2022, LCVS held £2,001,000 (2021: £2,001,000) as an other creditor on the balance sheet representing undistributed income on these trusts. The nature of LCVS's activities is such that it undertakes many operational activities, e.g. room hire, training courses, memberships, etc. with other local charity and voluntary organisations, with which it is possible that some LCVS trustees have connections. However, such connections have no effect on these transactions and the

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

relationship with any LCVS trustee is unlikely to be known to either party involved in arranging such transactions.

There is a balance owing from United Trusts of £8 (2021: £8) and an amount owing to UW Giving of £6,124 (2021: £6,124); both entities are subsidiaries of LCVS. During the year an amount of £31,450 (2021: £33,291) was distributed by UW Giving carrying with it the restrictions placed on it by the original donor; LCVS will distribute the funds at a later date in accordance with the donor's wishes.

31. Custodian Trusteeship

At the year-end the Charity acted as Custodian Trustee of assets of the following local charities. This property includes investments, land and buildings. These assets are segregated from the Charity's own.

Investments:

T.I.F Tod Charitable Trust

Land & Buildings:

Organisation

Ironbridge Youth Centre

RSPCA

Wallasey Age Concern

Asset

127 Beresford Rd, Liverpool 8

Cross Lane, Wallasey

55 & 57 Seabank Road, Wallasey

32. Reconciliation from net income to cash from operations

	Group	
	2022	2021
	£	£
Net income / (expenditure)	1,037,989	214,296
Adjustments for:		
Finance costs recognised in profit or loss	8,919	17,265
(Gain / Loss on investment assets	(20,435)	(178,612)
Depreciation of tangible fixed assets	36,487	37,176
Amortisation of intangible fixed assets	3,022	3,246
(Decrease)in provisions	(100,660)	(27,840)
Operating cash flows before movements in working capital	965,322	65,531

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

(Increase) / Decrease in trade and other debtors	(396,998)	(39,585)
Increase / (Decrease) in trade and other creditors	399,986	106,051
	<hr/>	<hr/>
Movement in working capital	2,988	66,466
	<hr/>	<hr/>
Cash generated from operations	968,310	131,997
	<hr/> <hr/>	<hr/> <hr/>

Reconciliation of net debt

	Balances at 1 st April 2021 £	Cashflows £	Balances at 31 st March 2022 £
Cash at bank and in hand	1,160,334	842,218	2,002,552
Loans falling due within one year	(100,000)	-	(100,000)
Loans falling due after more than one year	(700,873)	107,042	(593,831)
	-----	-----	-----
TOTAL	359,461	949,260	1,308,721
	=====	=====	=====

The following page does not form part of the financial statements

AFFILIATED ORGANISATIONS

At 01 January 2023

*ADHD Foundation
Age Concern Liverpool and Sefton
Alzheimer's Society Liverpool
Anfield Sports & Community Centre
Asylum Link Merseyside
Autism Initiatives UK
Birkenhead Youth Club
Bradbury Fields
Brook Liverpool
Calder Kids Adventure Playground
Catholic Blind Institute
Channel
Clock Community Centre
Compass
Cullen Street Green Harmony
Faiths4Change
FNF Both Parents Matter Merseyside
Health Energy Advice Team
Health Equalities Group
Interchange
Liverpool City Centre Methodist Church /
Somewhere Else
Liverpool Community Advice
Liverpool Community Spirit
Liverpool International Nordic Community
Liverpool Merchants Guild
Liverpool Parish Church
Merseyside Civic Society
Merseyside County Scout Council
Merseyside Jewish Community Care
Merseyside Somali and Community
Association
Moving On With Life & Learning
Netherley Youth & Community Initiative
Norris Green Youth Centre Ltd
North End Writers
North Liverpool CAB
Nugent Care
Options for Supported Living
People First Merseyside*

*REACH Merseyside
The Reader Organisation
Relate Cheshire & Merseyside
Roots Trust
Rotunda Ltd
Salvation Army
Sefton Park Palm House Preservation Trust
Shrewsbury House Youth and Community
Centre
South Liverpool Domestic Abuse Services
St James in the City
St John Ambulance
St Michael's & Lark Lane Community
Association
Sudley Area Residents Association
Support After Murder & Manslaughter
Merseyside
Vauxhall Community Law and Information
Centre
Writing on the Wall
YMCA Liverpool
Zoe's Place Trust*