

Volunteering Matters
Annual Report and Accounts
For the Year ended 31 March 2021

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ABOUT US

Company details

Charity registration	Registered in England & Wales as a charity, number 291222 Registered in Scotland as a charity, number SC039171
Company registration	01435877
Registered office	The Levy Centre, 18- 24 Lower Clapton Road, London, E5 0PD
President	Lord David Freud
Vice President	John Pulford MBE

Trustees, Board and Group Members

The members of the Council, who are also trustees under charity law and directors under company law who served during the period and up to the date of this report were as follows:

Anne Heal	Trustee and Chair of the Council
Andrew Hudson	Trustee. Vice Chair until April 2021. Member of the Finance and Audit Committee.
Pru Whitwell	Trustee since April 2021, and Vice Chair
Emmanuel Ayoola	Trustee
David Wilkinson	Trustee, and Chair of the Finance and Investment Committee, until April 2021
Peter Bailey	Trustee, and member of the Finance and Investment Committee, until April 2021
Simon Judge	Trustee. Member of the Finance and Investment Committee until April 2021, and Chair of the Finance and Audit Committee thereafter
Katrina Lambert	Trustee
Patrick Luong	Trustee
Sue Maskrey	Trustee and Safeguarding Champion
Zara Todd	Trustee and Whistleblowing Champion
Martin Fleming	Trustee since April 2021. Member of the Finance and Audit Committee

Julie-Anne Jamieson	Trustee since April 2021. Member of the Finance and Audit Committee
Craig Hamilton	Trustee since April 2021. Chair of the Enterprise Committee
Julie Kirkbride	Trustee

Satyen Dhana, Linda Holden, Raymond O'Hare, Katerina Rudiger, Fernando Sanchez Malin and Iona Wyn are all Trustees who resigned before 1st April 2020.

Martin Fleming, Julie-Anne Jamieson and Craig Hamilton were previously Trustees of Project Scotland, which merged with Volunteering Matters on 1 April 2021. Project Scotland have already published their report and accounts for the year ended 31 March 2021.

Executive Leadership Team

Paul Reddish	Chief Executive and Company Secretary
Valerie Brown	Head of Human Resources
Michael Joseph	Chief Finance Officer (until May 2021)
Angie Lees	Head of Finance (from June 2021)
Stephen Skeet	Director of Business Development and Impact (from April 2020)
Emma Thomas-Hancock	Director of Delivery
Graham Robertson	Director of Enterprise

Auditors, Bankers and Solicitors

Auditors

Saffery Champness LLP
Chartered Accountants
133 Fountainbridge,
Edinburgh, EH3 9BA

Principal bankers

Barclays Bank PLC
1 Churchill Place
London E14 5HP

Principal solicitors

Peter Kingshill & Co
7 Liverpool Terrace
Worthing
BN11 1TA

CHAIR OF COUNCIL REPORT

The last year has been an incredibly challenging 12 months for our volunteers, staff and trustees. In March 2020 the trustees had recently approved the findings from the staff-led strategic review and the restructuring of the organisation to ensure a more sustainable economic future. We were looking forward to the implementation of the new strategy with its focus on impact within local communities through volunteering and social action.

However, the emergence of COVID quickly changed the landscape. It was remarkable to witness how rapidly and positively everyone involved in Volunteering Matters' work – staff, volunteers and the people they support – responded to the crisis as different needs emerged within communities across England, Scotland and Wales.

The culture and new ways of working at Volunteering Matters – where people support one another to overcome challenges and deliver positive change – meant that the organisational response to the crisis was quick and agile, so projects were able to continue while new ones arose to meet the challenges of the pandemic. Examples of this approach are numerous, from moving projects online so care-experienced young people could continue to access support, creating online resources so people could volunteer safely, or developing new projects such as telephone befriending to support those who were shielding.

It has been a testament to the support of our partners and funders that existing funding could be reallocated to meet the needs of communities, expertise could be shared to meet emerging situations and new links made across sectors to put volunteering at the heart of the response to the crisis.

In addition to the COVID response, much work was done to embed the new organisational strategy, focussing on impact and place-based change, underpinned by new ways of working, a values-led approach and an ongoing commitment to equality, diversity, and inclusion. The merger with Project Scotland in April 2021 also meant we were able to welcome new trustees and colleagues, forming a new board of Trustees as well as a “new” charity. I'd like to thank those former Trustees – Peter Bailey, Satyen Dhana, Linda Holden, Raymond O'Hare and Katerina Rudiger and Fernando Sanchez Malin, Iona Wyn and David Wilkinson - who stepped down from both Volunteering Matters and Project Scotland at that time - for their commitment, time, expertise, and support of both organisations over the years.

And finally, on behalf of the Trustees, I would like to thank everyone involved in the Volunteering Matters family – volunteers, the staff team, funders, partners, and the communities we work with for all the effort, dedication and energy shown over such a difficult and challenging 12 months.

Thank you



Anne Heal
Chair of Trustees

CHIEF EXECUTIVE'S REPORT

It's been a quite incredible 12 months at Volunteering Matters in one of the most challenging crises I can remember in my lifetime.

Just prior to COVID, we had restructured and re-emphasised our commitment to working alongside communities.

We absolutely believe in the force for change that volunteering and volunteers create, but to lead to lasting change this must be done through work within communities. Our new strategy focuses our work on our role and impact in a place, and how we can help support inequalities, improve health and well-being, and achieve other critical social outcomes alongside others in the communities where we operate.

We found ways of delivering services through innovative approaches, but we also adapted to what was emerging. That change of focus has enabled us to adapt and respond alongside the communities we operate within. Our volunteer drivers have become shoppers. The young people who were supported through our mentoring services became the volunteers and supported the isolated. The trust and relationships we have built in the places we are in, coupled with a strategy of stepping back and asking, 'what can we do to help' rather than 'we want volunteers to support with x', led to a movement of people everywhere supporting each other. The legacy of that is new volunteers, new relationships, and an opportunity to further our mission to work alongside communities.

Our presence has continued to grow and strengthen in many of the communities we operate in. And we've started reimagining our role post COVID. We have changed office space into community action spaces. We've forged new collaborations, like our key partnership with British Red Cross and others through the VCS Emergencies Partnership. Like our partnership with UK Youth to support the #iWill movement. And our partnership with NCVO, NAVCA and Association for Volunteer Managers to deliver a new ten-year Vision for Volunteering for England.

And we completed the merger with Project Scotland after the year end date, bringing two great volunteering charities together, in the process strengthening our relationships and opportunities to support people and communities in Scotland.

The pandemic has been awful. We've lost loved ones, and it's been a huge strain on so many people in so many different ways. I'm incredibly thankful to our staff and volunteers for their continued work in spite of these challenges, and all they continue to do to support all of those around them. It's been a twelve months we can all be incredibly proud of.



Paul Reddish, Chief Executive

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT

We are pleased to present our report for the year ended 31st March 2021. We started the year focusing on delivering the new strategy following the strategic review and restructure in 2019.

However, the onset of the COVID-19 pandemic meant that from early 2020 we had to adapt to the changing environment and the challenges it brought. Staff teams rapidly changed project delivery models whilst ensuring staff, volunteers and the people they support remained safe. We were able to pivot work to meet the emerging needs of communities while continuing to deliver existing programmes. Below is an overview of our impact as well as the annual accounts.

In 2020 we were in a year of transition in terms of how we measured and reported impact. We have become better at this in 2021 and early in 2022 will be providing a separate impact report that does more to describe the impact we have had on the communities and beneficiaries we support.

Our Aims and Objectives

At Volunteering Matters, we bring people together to overcome some of society's most complex issues through the power of volunteering. This builds stronger communities and enables everyone to thrive.

We work with local partners, turning local knowledge and energy into action and progress.

We work with volunteers to make a real difference on the issues they care about, from immediate responses to fostering long term change. We enable volunteers to use their local knowledge and life experiences and collectively we tackle complex issues.

In line with our overall strategy our projects support one or more of these areas:

- Reducing social isolation and loneliness
- Improving mental and physical health
- Building skills, confidence and opportunity
- Ensuring young people can lead change

Our Impact

In 2020 we were in a year of transition in terms of how we measured and reported impact. We have become better at this in 2021 and early in 2022 will be providing a separate impact report that does more to describe the impact we have had on the communities and beneficiaries we support.

The power of volunteer-led support during COVID-19

We are proud of the impact our volunteers made from 1 April 2020 to 31 March 2021 – the year since the outbreak of COVID-19.

Through Volunteering Matters, volunteering and social action enabled a wave of support for those most in need and their communities, helping them to navigate unprecedented challenges safely. Our volunteers also supported other partners within charities, the NHS and Local Authorities.

To achieve this, under the circumstances of the pandemic, we invested in new technology to enable online mentoring and befriending, we redeployed staff to speed up the recruitment and vetting of volunteers and to offer new volunteering solutions in poorly served communities. Volunteers were screened and given the necessary support and guidance on how to volunteer safely including access to PPE. To make sure people connected safely, we delivered training and resources online and made them available across the charity and voluntary sectors.

Our annual Impact Report will give more detail but a snapshot of our impact during 2020 to 2021 is given in the paragraphs below.

Key Statistics

- Across England, Scotland and Wales, 8,711 volunteers supported 20,769 people.
- Our volunteers led change in over 50 local communities, building on strong local partnerships.
- 1,443 volunteers from our Retired and Senior Volunteers Programme supported 3,542 people.
- 2,902 young people benefitted from the support of volunteers through our award-winning mentoring and befriending projects. Our volunteers consistently helped young people transform their lives – leading their own change.
- 1,727 people volunteered through our National Programmes supporting 2,232 people.
- Through our Employee Volunteering Programme, 932 volunteers supported 1,927 people in local communities.

Place-based approach

At Volunteering Matters we believe that communities have the power, knowledge and energy to improve themselves from within and that we are most effective when we work with people, not on their behalf – and we achieve this with local partners. Just a few of the examples of our place-based approach this year included:

The **Lifelines** project in **Brighton** brings together people both as volunteers running activities and as participants. Through activities and one-to-one support, older people stay more active and engaged with their communities. This volunteer-led activity was vitally important during the pandemic. At the beginning of lockdown, the staff and volunteer team quickly established ways for people to stay connected with isolated older community members by post, phone and online. Soon hundreds of isolated people were connected through group activities such as quizzes and Pilates to tailored befriending and shopping support. Last year 395 people aged 50+ engaged with the Lifelines project.

Youth Social Action supported potentially isolated families in **Ipswich**. Concerned about others' wellbeing and connectivity, Youth Social Action volunteers in Ipswich developed a fun and informative series of activity packs to support families at risk of social isolation. The young volunteers created the packs, focusing on the fictional characters Astra and Patrick who

demonstrated skills of resilience. The packs were targeted towards children and included links to local support networks for the families receiving the packs.

During the year, **1450 packs** were published in 5 different languages, reaching families from **13** different nationalities.

As an existing partner with Newport City Council, our team in **Wales** supported Newport Social Services to make sure local community needs could be met. With the Council acting as a referrer, volunteers, including many from our **Employee Volunteering Programme**, and the local **Rotary club**, provided vital support such as shopping and telephone befriending for those lonely or isolated, often signposting to other support where needed. In partnership with Newport City Council and Trussell Trust, volunteers delivered food parcels and IT Equipment to families struggling financially. In Newport, **77 volunteers** supported **227 people**, carrying out **1,996 tasks**.

In **Scotland**, Action Earth is an environmental grants scheme, funded by NatureScot, that supports volunteers across Scotland in improving local green spaces in some of the most deprived areas of Scotland. Funding is available to purchase plants, tools and materials with higher-level grants covering projects involving people with defined health and social needs. Action Earth projects have responded with great resilience during the pandemic, with excellent results that exceeded expectations in these difficult times.

121 projects have been run by 3,312 volunteers. 70 of these projects were health-related.

National Programmes with a Local Focus

Family Mentors and Family Supporters

Volunteering Matters have been actively working with families involved with social services for over ten years. Volunteers are trained and supported by staff, before providing tailored weekly support to the family, empowering the family to be self-sufficient, de-escalated from their child protection plans and reach goals set by the families. Family Mentors provide their support in **Southend, Greenwich** and **Waltham Forest**, with Family Supporters operating in **Edinburgh**.

This year **276** volunteers supported **912** people.

Our new **impact tracker**, introduced this year, tracks the outcomes of the families often focusing on Housing and Finance; Education, Training and Employment, and Health and Wellbeing

Grandmentors

Grandmentors is an intergenerational mentoring project for care-experienced young people (someone who has been in care i.e. looked after by a local authority). This group of young people are amongst the strongest and most resilient in any community. Through the skill of mentoring, care-experienced young people are supported to be autonomous, capable, and empowered adults.

243 care-experienced young people were supported by our volunteers during the year. This was in ten locations: **Islington, Milton Keynes, Bradford, Wiltshire, Hounslow, Brent, Wandsworth, Wolverhampton, Warwickshire** and **Suffolk**.

In 2020, we introduced a **new impact tracker** to closely track the outcomes for mentees.

5 of the mentees started **University** in **September 2020**.

Awards

This was another year where Volunteering Matters received many awards and extensive external acknowledgements, including:

- 2 volunteers, Rosemary Fletcher and Theresa McIvor, received MBEs in the New Year's Honours List
- Volunteer Team of the Year (Islington Grandmentors) – Jewish Volunteer Network
- Community Impact Award (Ipswich Museum and RESPECT Project)– 2021 International Museums and Heritage Awards
- High Sheriff's Outstanding Contribution to COVID response – Milton Keynes team

Public Benefit

The Trustees 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 its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set. The Trustees have complied with the duty under the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Looking Ahead

In 2021-22 and beyond we are partnering with and investing in communities to overcome their challenges, tackling social isolation and loneliness, improving health, developing skills and opportunity and making sure young people can lead change. We will do this at scale, sharing our expertise and building partnerships to make an even bigger impact.

We will adopt new agile practices that will support this, allowing us to support communities to navigate through the COVID Pandemic. We will play a central role in supporting the UK Government and the Devolved Administrations in engaging the wider Third Sector to respond to the needs of communities post COVID-19

Our Fundraising Promise

At Volunteering Matters we strive for the highest standards in fundraising and want our supporters to be treated with honesty and respect. Volunteering Matters' Board of Trustees, Executive Leadership Team and staff are all committed to adhering to the Code of Fundraising Practice and are proud to be registered members of the Fundraising Regulator, which sets the standards of fundraising practices in the UK.

We do not employ third parties to fundraise on our behalf. We promise our supporters to keep their data secure and will never sell or pass it on to third parties. We comply fully with data protection controls as set out in the General Data Protection Regulation (GDPR) 2018.

We are committed to getting things right the first time and we take all complaints seriously. We have a formal complaints procedure and promise to make every effort to ensure all complaints are dealt with swiftly and appropriately. We are pleased to report that we received no complaints about our fundraising practices during our last financial year and will continue to adhere to the high standards our supporters expect from us.

FINANCIAL REVIEW

Results for the year

Our financial year runs from 1 April 2020 to 31 March 2021 and results were not materially impacted by COVID and the lockdown which ensued from the middle of March 2020. We adapted project delivery, with employees and volunteers working remotely as required and there was a move to online and telephone support along with issuing support packs and parcels to beneficiaries.

In a challenging environment, our overall operating performance led to a deficit of £346k. On a like for like basis this is a significant improvement on the overall performance in the previous year, when (after removing the surplus of £1,489k from the sale of a London property) we made a deficit of £1,356k. There were no property sales during this financial year.

Income from charitable activities increased to £4,865k from £4,050k in 2020 as a result of the focus on business development and income generation. The cost of raising funds increased to £424k from £271k in 2020 representing the increase in employees working within business development.

Actuarial gains were made on the valuation of the defined benefit pension scheme of £1,324k compared to the gain in 2020 of £1,406k. This annual revaluation does not impact cash flow as the employers contribution to the pension fund is renegotiated triennially at a sustainable level with the London Borough of Islington. This provides certainty in relation to cash flow planning through to 2024.

Looking forward

The sale of the Hornsey Road property has enabled us time to build and implement a new strategy. This has seen both a reduction in our core costs as we change to a new operating model and a change in our strategic approach to focus on the impact our volunteering programmes have in certain localities.

The pandemic has led to reductions in some of our income streams, including Employee Volunteering and Fundraising, but this has been mitigated to some extent by grants from the Job Retention Scheme, and our new approach to developing programmes has resulted in a significant number of new commissions and income in 2020-21 such as Youth Endowment funds and Youth VIP.

These early but important signs of progress in new strategic growth indicate that our new strategy is working. In our annual report and accounts for 2021/22, we will report further on our progress in building a sustainable delivery model for the charity and also a method for growing our impact and work in future years. We have already started this by merging with Project Scotland which is enabling us to expand and diversify our work in Scotland.

Reserves

The Trustees are responsible for ensuring that the reserves policy is fit for purpose and meets the requirements of the Statement of Recommended Practice for charity accounting (FRS 102) and in addition, have considered the Charity Commission's guidance on the matter specifically:

1. the reasons why the charity needs reserves;
2. what level of reserves the Trustees believe the charity needs;
3. what steps the charity is going to take to establish this agreed level;
4. what the appropriate arrangements are for monitoring and reviewing this policy.

The Reserves Policy is based on the level of reserves excluding three items:

- restricted reserves, which can only be spent to support particular projects;
- the pension deficit, because this deficit will not be payable in full for many years;
- the net book value of the properties held for the charity's own use, which is the Fixed Asset designated reserve.

The charity's available reserves at 31st March 2021 have therefore been calculated as follows:

	£000
Total Reserves excluding Pension Deficit Reserve	1,768
Less Restricted Funds	<u>(171)</u>
Unrestricted Reserves	<u>1,597</u>

The reserves policy of Trustees is to have 'free' reserves equivalent to six months of core operating costs or £1m, where 'free' reserves are unrestricted reserves less the net book value of fixed assets. Our 'free' reserves are currently £352k and therefore represent less than three months operating costs.

The reserves position is reviewed at the Finance and Audit Committee regularly and is approved annually at Council. In light of the positive changes in strategy and the change in risk profile, Trustees are reviewing the policy to ensure it remains appropriate.

The Trustees are satisfied that the current level of reserves is sufficient based on the assessment of going concern detailed below.

Risks

The main risk for the charity is not closing the operational deficit. This is being addressed through a combination of managing costs and securing more work, supported by the Director of Business Development and Impact. The early signs are that we are generating significant new opportunities, especially around COVID-19 relief work, but the impact of the pandemic has created many uncertainties which we are keeping under constant review.

The risk framework is reviewed by both the Audit Committee and Council, and the executive leadership team takes mitigating actions to address the key risks.

Going Concern

The financial position is monitored carefully at a number of levels. The executive leadership team monitors cash flow daily and the management accounts on a monthly basis, and the Finance and Audit Committee reviews the position each quarter.

Our income profile is changing, and we are becoming more agile in our management of costs, both of which are reducing our risk profile. This is evident from the Trustees assessment of the working capital forecast to December 2022 and the underlying assumptions, taking into account the impact of COVID and the uncertain operating environment. Trustees are of the view that these assumptions are prudent and that sensitivities of both income and costs have been adequately considered. Trustees also note that the charity has pension scheme liability and owns the Levy Centre in Hackney.

On this basis, the Trustees are of the view that the charity will remain a going concern for a period of at least 12 months from the date of the approval of these financial statements, which should therefore be prepared on that basis.

Structure, Governance and Management

Volunteering Matters was founded in 1962 as an unincorporated charity. The present legal structure is a charitable company limited by guarantee, incorporated on 10 July 1979 and registered as a charity in England and Wales on 22 February 1985. Volunteering Matters is also registered as a charity in Scotland.

Volunteering Matters was set up under a Memorandum of Association which established the objects and powers of the organisation and is governed under its Articles of Association. The objects of the charity are the advancement of citizenship and community development through the promotion of volunteering.

The Council of Management of Volunteering Matters (the Council) comprises the charity's Trustees and is responsible for the governance and establishment of operating policies across Volunteering Matters. The Council also has responsibility for the control and monitoring of the application of these policies. All the members of the Council are statutory directors and charity Trustees.

Volunteering Matters' will continue to recruit trustees using a process of open recruitment as trustees come to the end of their terms of office or wish to stand down. The chairs of committees are appointed based on interest and skills.

All trustees have the opportunity to attend a half-day induction session that covers the following areas:

- Roles and responsibilities of a trustee
- Key financial issues
- Re-brand, reputation and results
- Programmes, projects and operations
- Documentation and resources

In addition, they are issued with the NCVO handbook for trustees. In terms of training, trustees are given every opportunity to attend appropriate development sessions organised by charity accountants, solicitors, NCVO, NPC and other Organisations.

All trustees are offered the possibility of visiting Volunteering Matters projects and meeting staff and volunteers so that they have an opportunity to hear from programmes and projects local to that area.

The following Council committees meet regularly:

- The Finance and Investment Committee was renamed the Finance and Audit Committee in April 2021. The Finance and Audit Committee is responsible for ensuring that effective internal governance controls, processes and systems are in place, particularly in relation to legal, audit, financial and risk; as well as maintaining oversight of charity finances, financial strategy and investment policy.
- The Enterprise Committee was formed in April 2021. The current structure of this committee is under review however it is responsible for providing additional support to the commercial and entrepreneurial directorate of Volunteering Matters which currently includes our Employee Volunteering service and the trading subsidiary Get The Gen.

The day-to-day operational responsibilities for Volunteering Matters are devolved by the Council to the Chief Executive, the Executive Leadership Team and operational managers, who remain responsible to the Council for all aspects of performance.

The Executive Leadership Team comprises the Chief Executive, Director of Volunteering Delivery, Director of Business Development and Impact, Director of Enterprise, Head of Finance and Head of HR. Key management personnel comprise the Trustees and the Executive Leadership Team.

Remuneration policy

The pay structure in Volunteering Matters is currently based on the National Joint Council for Local Government (NJC) pay scales, which are used by local government and widely used by the voluntary and community sector. Due to the nature of our work we also use spot salaries when required for specialist roles.

Human Resources monitor our pay and reward strategy, remuneration reviews and all related policies. The Organisation is committed to an equal pay policy to ensure staff pay reflects the skills and experience required to perform their roles to a high standard.

Post Balance Sheet Event

Volunteering Matters merged with Project Scotland on 1 April 2021. All of the assets and liabilities of Project Scotland were transferred to Volunteering Matters who will continue to deliver the work and projects. This included the transfer of appropriate staff under TUPE.

Contingent Liability

As at the year end the charity has a contingent obligation of £200,000 payable to the Charity's defined benefit pension scheme in the event that the charity disposes of its leasehold property fixed asset.

Statement of Council's Responsibilities

The Council (which comprises the directors of Volunteering Matters for the purposes of Company law and the Trustees for the purposes of charity law) are responsible for preparing this 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 Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Council members are required to:

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

The Council 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 the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment

(Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Insofar as the Council are aware there is no relevant audit information of which the charitable company's auditors are unaware; and Council members have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish the auditors are aware of that information.

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

Auditors

Saffery Champness LLP are our appointed auditors and have indicated their willingness to continue in that capacity.

The report of the trustees, which includes the strategic report, has been approved by the Council on 7 December 2021 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Anne Heal', with a long horizontal flourish extending to the right.

Anne Heal, Chair of Council

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

Opinion

We have audited the financial statements of Volunteering Matters for the year ended 31 March 2021 which comprise the balance sheet, the statement of financial activities, cashflow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' report and the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' Report and the Strategic Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on pages 15 to 16, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and under the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with regulations made under those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:

We assessed the susceptibility of the charitable company's financial statements to material misstatement and how fraud might occur, including through discussions with the trustees, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the charitable company by discussions with trustees and updating our understanding of the sector in which the charitable company operates.

Laws and regulations of direct significance in the context of the charitable company include The Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and guidance issued by the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator.

Audit response to risks identified:

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the charitable company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the charitable company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business.

We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.


.....

Kenneth McDowell (Senior Statutory Auditor)
for and on behalf of Saffery Champness LLP

Edinburgh Quay
133 Fountain Bridge
Edinburgh
EH3 9BA

Chartered Accountants
Statutory Auditors
Date: 13th December 2021

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

VOLUNTEERING MATTERS (COMPANY LIMITED BY GUARANTEE, NUMBER 1435877)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

For the year ended 31 March 2021

		Unrestricted Funds	Restricted Funds	Total	Total
	Note	31 March 2021	31 March 2021	31 March 2021	31 March 2020
		£'000	£'000	£'000	£'000
INCOME FROM:					
Donations and legacies	2	169	67	236	383
Charitable activities	3	1,116	3,749	4,865	4,050
Property income	3	8	-	8	23
Furlough Income	3	93	-	93	-
Other income		-	-	-	1,489
TOTAL INCOME		1,386	3,816	5,202	5,945
EXPENDITURE ON:					
Raising funds		424	-	424	271
Charitable activities		1,183	3,941	5,124	5,540
TOTAL EXPENDITURE	4	1,607	3,941	5,548	5,811
Net (expenditure) / income for the year		(221)	(125)	(346)	134
Other recognised gains/ (losses):					
Actuarial gain on defined benefit pension schemes	16	1,324	-	1,324	1,406
NET MOVEMENT IN FUNDS		1,103	(125)	978	1,540
RECONCILIATION OF FUNDS:					
TOTAL FUNDS / (DEFICITS) B/F		(11,771)	296	(11,475)	(13,015)
TOTAL FUNDS / (DEFICITS) C/F	13	(10,668)	171	(10,497)	(11,475)

All the above results are derived from continuing activities. There were no recognised gains or losses other than those stated above.

VOLUNTEERING MATTERS (COMPANY LIMITED BY GUARANTEE, NUMBER 1435877)

BALANCE SHEET
As at 31 March 2021

	Note	2021 £'000	2020 £'000
FIXED ASSETS			
Tangible assets	8	1,245	1,233
		1,245	1,233
CURRENT ASSETS			
Debtors	10	1,307	655
Cash at bank and in hand		385	630
		1,692	1,285
CREDITORS: amount falling due within one year	11	(1,168)	(709)
NET CURRENT ASSETS	14	524	576
TOTAL ASSETS LESS CURRENT LIABILITIES		1,768	1,809
Provision for liabilities	12	-	(13)
Net assets excluding pension liability		1,768	1,796
Defined benefit pension scheme liability	16	(12,265)	(13,271)
TOTAL NET (LIABILITIES)		(10,497)	(11,475)
THE FUNDS OF THE CHARITY:			
Restricted income funds	13	171	296
Unrestricted funds:			
Designated funds	13	1,245	1,227
General fund	13	352	273
Unrestricted funds excluding pension deficit reserve		1,597	1,500
Pension reserve	16	(12,265)	(13,271)
Total unrestricted accumulated deficits		(10,668)	(11,771)
TOTAL CHARITY ACCUMULATED DEFICITS	14	(10,497)	(11,475)

The financial statements were approved and authorised for issue by the Council on 7th December 2021 and signed on their behalf by:



Anne Heal, Chair & Council Member



Simon Judge, Chair of the Finance & Audit Committee

VOLUNTEERING MATTERS (COMPANY LIMITED BY GUARANTEE, NUMBER 1435877)

CASH FLOW STATEMENT

For the year ended 31 March 2021

	Total Funds 2021 £'000	Total Funds 2020 £'000
Cash flows from operating activities:		
Net cash used in operating activities	(189)	(1,363)
Cash flows from investing activities:		
Sale of property	-	2,026
Purchase of property, plant and equipment	(56)	-
Net cash used in investing activities	(56)	2,026
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR	(245)	663
Cash and cash equivalents at the beginning of the year	630	(33)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	385	630

Reconciliation of cash flows from operating activities

	2021 £'000	2020 £'000
Net income / (expenditure) for the year (per the Statement of Financial Activities)	(346)	133
Adjustments for:		
Depreciation charges	44	86
Gain on sale of Hornsey Road property	-	(1,489)
Pension cost adjustment	318	186
(Increase) in debtors	(652)	(41)
Increase / (decrease) in creditors	447	(238)
Net cash used in operating activities	(189)	(1,363)

Analysis of cash and cash equivalents

Cash in hand	385	630
Total cash and cash equivalents	385	630

Movement on cash and cash equivalents

	2020 £'000	Cashflow £'000	2021 £'000
Cash in hand	630	(245)	385
Overdraft	-	-	-
	630	(245)	385

Prior year movement

	2019 £'000	Cashflow £'000	2020 £'000
Cash in hand	41	589	630
Overdraft	(74)	74	-
	(33)	663	630

VOLUNTEERING MATTERS **NOTES TO THE FINANCIAL STATEMENTS** **For the year ended 31 March 2021**

1. ACCOUNTING POLICIES

Volunteering Matters is a company limited by guarantee. It is also a registered charity in England and Wales and Scotland. The registered office address is The Levy Centre, 18-24 Lower Clapton Road, London, E5 0PD

a) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these financial statements. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Volunteering Matters meets the definition of a public benefit entity under FRS 102.

b) Going concern

The financial position is monitored carefully at a number of levels. The executive leadership team monitors cash flow on a daily basis and the management accounts on a monthly basis, and the Finance and Audit Committee reviews the position each quarter. Our income profile is changing, and we are becoming more agile in our management of costs, both of which are reducing our risk profile. This is evident from the Trustees assessment of the working capital forecast to November 2022 and the underlying assumptions, taking into account the impact of COVID and the uncertain operating environment. Trustees are of the view that these assumptions are prudent and that sensitivities of both income and costs have been adequately considered. Trustees also note that the charity has no debt and owns the Levy Centre in Hackney. On this basis the Trustees are of the view that the charity will remain a going concern for a period of at least 12 months from the date of the approval of these financial statements which therefore should be prepared on that basis.

c) Income

Donations and legacies are included in full in the Statement of Financial Activities when receipt is probable, there is entitlement to receipt and the amount can be reliably measured. Income from the provision of services is recognised in the financial statements during the period in which the service is carried out and therefore entitlement is earned.

Revenue grants are credited to the statement of financial activities when there is entitlement and probability of receipt and when the amount can be reliably measured.

Contract income is recognised in the financial statements to the extent that entitlement has been earned at the period end.

Donated services are recognised on the basis of the value to the charity, which is the amount the charity would have been willing to pay to obtain services of equivalent economic benefit in the open market. A corresponding amount is then recognised in expenditure in the period of receipt.

Volunteering Matters is in the business of inspiring people to volunteer to change their communities. All the charity's projects are therefore dependent on volunteer input. However the value of volunteer time is not included in the financial statements.

d) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the funder. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charity's general purposes.

Designated funds are unrestricted funds earmarked by the Council for particular purposes.

e) Resources expended

Resources expended are recognised on the accrual basis in the period in which they are incurred. Resources expended include attributable VAT which cannot be recovered.

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

Raising funds relate to the costs incurred by the charity in raising funds for the charitable work.

Charitable expenditure, including grants payable, includes all costs incurred in fulfilling the organisation's charitable objectives.

Grants payable are charged to the Statement of Financial Activities in the period in which the offer is conveyed to the recipient.

Support costs are wholly allocated to charitable activities. Support costs in relation to raising funds are considered to be immaterial.

Governance costs are the costs associated with the governance arrangements of the charity. These costs relate to constitutional and statutory requirements and the strategic management of the charity's activities.

f) Tangible fixed assets and depreciation

Items of equipment are capitalised where the purchase price including VAT, exceeds £2,000.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

Freehold property	2% straight line
Leasehold property	for the period of the lease
Plant and equipment	33.3% straight line

g) Operating leases

Rent payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities on a straight line basis over the minimum lease term.

VOLUNTEERING MATTERS - Year ended 31 March 2021

VOLUNTEERING MATTERS

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

h) Pension benefits

The charity participates in a defined contribution pension scheme (Pensions Trust's Flexible Retirement Scheme). The charity's contributions are charged to the Statement of Financial Activities during the period in which the employee is an active member of the scheme. Participation within this scheme is available to all current and future employees.

The charity also provides retirement benefits to past and certain current employees through the Local Government Pension Scheme ('LGPS') operated by the London Borough of Islington. This is a defined benefit scheme which closed to new members on 3 April 2009 and to future accrual on 4 May 2015.

The LGPS is a funded scheme and the assets are held separately from those of the charity in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to the Statement of Financial Activities are the current service costs and the costs of scheme benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations.

Actuarial gains and losses are recognised within the Statement of Financial Activities within Other recognised gains and losses.

i) Provisions

Dilapidations are valued using a management estimate of the cost to the charity of works required to repair each property to the required condition at the end of the respective leases.

j) Recoverable VAT

Volunteering Matters services are largely exempt from Value Added Tax meaning that it cannot reclaim most of the VAT it incurs. Expenditure is therefore charged inclusive of VAT to the activities that incur it. Any VAT that is recoverable is credited to the central finance function which reduces the costs of support services.

k) Financial instruments

Volunteering Matters only has financial instruments and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement amount with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. Financial assets include debtor balances except prepayments as shown at Note 10 to the financial statements. Financial liabilities refers to all creditor balances including deferred income, tax and social security as shown at Note 11 to the financial statements.

l) Key estimates and assumptions

The preparation of the financial statements requires judgements, estimations and assumptions to be made that affect the reported values of assets, liabilities, revenues and expenses. The nature of estimation and judgement means that the actual outcomes could differ from expectations. The key area of estimation and judgement is the discount rate used by the actuary in determining our pension liabilities as reported in Note 16 to these Financial Statements.

2. DONATIONS AND LEGACIES

	31 March 2021	31 March 2020
	£'000	£'000
Individual and company donations (unrestricted)	169	73
Trusts and foundations (restricted)	67	310
	236	383

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	31 March 2021	31 March 2021	31 March 2021	31 March 2020
	Unrestricted	Restricted	Total	Total
	£'000	£'000	£'000	£'000
National Grants including Big Lottery Fund and People's Postcode Lottery	750	107	857	1,054
Central Government		874	874	124
Local Government		2,027	2,027	1,510
European funding		108	108	274
Trusts and Foundations (grants)		573	573	537
Employee Volunteering	288	-	288	479
Other public sector	78	60	138	72
	1,116	3,749	4,865	4,050

INCOMING RESOURCES FROM NON CHARITABLE ACTIVITIES

	31 March 2021	31 March 2021	31 March 2021	31 March 2020
	Unrestricted	Restricted	Total	Total
	£'000	£'000	£'000	£'000
Property Income	8	-	8	23
Furlough Income	93	-	93	-

VOLUNTEERING MATTERS - Year ended 31 March 2021

VOLUNTEERING MATTERS NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

INCOMING RESOURCES FROM CHARITABLE ACTIVITIES FOR THE PRIOR YEAR

	31 March 2020	31 March 2020	31 March 2020
	Unrestricted	Restricted	Total
	£'000	£'000	£'000
National Grants including Big Lottery Fund and People's Postcode Lottery	600	454	1,054
Learning	-	-	-
Central Government	(2)	126	124
Local Government	1	1,509	1,510
European funding	0	274	274
Trusts and Foundations (grants)	9	529	537
Employee Volunteering	479	-	479
Other public sector	75	3	72
	<u>1,162</u>	<u>2,888</u>	<u>4,050</u>

4. TOTAL RESOURCES EXPENDED

	Staff costs (Note 7)	Other direct costs	Support costs	31 March 2021	31 March 2020
	£'000	£'000	£'000	£'000	£'000
Cost of raising funds	257	167	-	424	271
Charitable activities - investing in volunteering	3,168	1,087	869	5,124	5,540
Total resources expended	<u>3,425</u>	<u>1,254</u>	<u>869</u>	<u>5,548</u>	<u>5,811</u>

Staff costs and other direct costs are a mixture of restricted and unrestricted costs.

Restricted costs are made up of delivery projects cost. Unrestricted costs are made up of central staff costs and unrestricted project costs. Support costs are all unrestricted costs and comprise of operational costs, IT and other administrative costs. The total governance cost includes a proportion of support costs. The Auditors' fees is external audit fees only. Additional information in **Note 13**

TOTAL RESOURCES EXPENDED FOR THE PRIOR YEAR

	Staff costs (Note 7)	Other direct costs	Support costs	31 March 2020
	£'000	£'000	£'000	£'000
Cost of raising funds	239	32	-	271
Charitable activities - investing in volunteering	4,021	934	585	5,540
Total resources expended	<u>4,260</u>	<u>966</u>	<u>585</u>	<u>5,811</u>

5. GRANTS PAID

	Total 31 March 2021	Total 31 March 2020
	£'000	£'000
Action Earth Community based projects paid to organisations	30	44
	<u>30</u>	<u>44</u>
Grants paid to organisations during the year were paid as follows:		
Number of individual grants less than £2,000	113	170
	<u>113</u>	<u>170</u>

6. NET INCOME / (EXPENDITURE) FOR THE YEAR

This is stated after charging:

	31 March 2021	31 March 2020
	£'000	£'000
Depreciation	44	86
Auditors' remuneration (see below):	26	28
Operating lease rentals: Property	46	58

During the period no Council members (2020: 1) received reimbursement for travel & subsistence expenses (2020: £689). No remuneration nor payment for services was paid to any member of the Council (2020: none).

	31 March 2021	31 March 2020
	£'000	£'000
Auditors' remuneration (excluding VAT)		
External audit	26	28
Non audit services	-	-
Internal audit	-	-
	<u>26</u>	<u>28</u>

VOLUNTEERING MATTERS - Year ended 31 March 2021

VOLUNTEERING MATTERS NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

7. STAFF NUMBERS AND COSTS

	31 March 2021 £'000	31 March 2020 £'000
Wages and salaries	3,067	3,453
Redundancy/Compensation costs	29	69
Social security costs	283	309
Defined contribution pension scheme costs	75	82
Defined benefit pension scheme interest (note 16)	318	346
	<u>3,772</u>	<u>4,260</u>

Salaries and wages do not include any agency fees for 2021 (2020: £32,406).

Redundancy costs reflect the actual or anticipated costs of contractual payments due as a result of management decisions taken during the year. Redundancy costs are funded from project funds / the charity's own resources as appropriate on a case by case basis.

	2021 No.	2020 No.
Number of staff earning more than £60,000 in the accounting year:		
Number of employees receiving £90,001- £100,000	1	-
Number of employees receiving £70,001- £80,000	1	1
Number of employees receiving £60,000- £70,000	2	2
	<u>4</u>	<u>3</u>

The total earnings including pensions of the charity's key management personnel was £302,236 (2020: £376,751).

The average weekly number of employees, expressed as head count and as full time equivalents, during the period was:

	Head count		Full time equivalents	
	31 March 2021 No.	31 March 2020 No.	31 March 2021 No.	31 March 2020 No.
Charitable activities	116	131	82	110
Fundraising	5	2	4	2
Governance	1	-	1	-
	<u>122</u>	<u>133</u>	<u>87</u>	<u>112</u>

8. TANGIBLE FIXED ASSETS

	Freehold & Long Leasehold properties £'000	Plant and equipment £'000	Total 2021 £'000
Cost			
At 1 April 2020	1,611	253	1,864
Additions*	-	56	56
Disposals/write offs	-	-	-
At 31 March 2021	<u>1,611</u>	<u>309</u>	<u>1,920</u>
Depreciation			
At 1 April 2020	384	247	631
Charge for the period	32	12	44
Disposals/write offs	-	-	-
At 31 March 2021	<u>416</u>	<u>259</u>	<u>675</u>
Net book value			
At 31 March 2021	<u>1,195</u>	<u>50</u>	<u>1,245</u>
At 31 March 2020	<u>1,227</u>	<u>6</u>	<u>1,233</u>

9. ASSOCIATE UNDERTAKINGS

Volunteering Matters has a one-third interest in a separate company, Outreach Solutions (formerly Digital Outreach Limited) (company number 06322789). Volunteering Matters' share of the assets of the company are not considered material to these financial statements and as such have not been recognised. Outreach Solutions Limited was dormant in the year.

VOLUNTEERING MATTERS - Year ended 31 March 2021

VOLUNTEERING MATTERS NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

10. DEBTORS

	31 March 2021	31 March 2020
	£'000	£'000
Trade debtors	1,002	300
Accrued income	305	355
	<u>1,307</u>	<u>655</u>

Volunteering Matters pursues an active debt recovery process and the majority of trade debtors and accrued income was received before the signing of the accounts.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 March 2021	31 March 2020
	£'000	£'000
Trade creditors	87	17
Social security and other taxes	96	99
Accruals and other creditors	122	113
Deferred income (see below)	864	479
	<u>1,168</u>	<u>709</u>
<u>Deferred income</u>		
Balance b/f	479	566
Amount released to incoming resources	(479)	(566)
Amount deferred in the period	864	479
Balance c/f	<u>864</u>	<u>479</u>

Many of the charity's projects receive income in advance for periods which span financial year ends therefore requiring deferrals of income.

12. PROVISIONS FOR LIABILITIES

	31 March 2020		31 March 2021	31 March 2019		31 March 2020
	Brought forward	(Decrease)	Carried forward	Brought forward	(Decrease)	Carried forward
	£'000	£'000	£'000	£'000	£'000	£'000
Dilapidations	13	(13)	-	17	(4)	13
	<u>13</u>	<u>(13)</u>	<u>-</u>	<u>17</u>	<u>(4)</u>	<u>13</u>

VOLUNTEERING MATTERS - Year ended 31 March 2021

VOLUNTEERING MATTERS NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

13. STATEMENT OF FUNDS

	31 March 2020					31 March 2021
	Brought forward	Incoming resources	Resources expended	Transfers	Other gains/ (losses)	Carried forward
	£'000	£'000	£'000	£'000	£'000	£'000
SUMMARY OF FUNDS						
<u>Unrestricted funds:</u>						
Designated funds	1,227	62	(44)	-	-	1,245
General fund	273	1,324	(1,245)	-	-	352
Total unrestricted fund before pension deficit	1,500	1,386	(1,289)	-	-	1,597
Less pension deficit	(13,271)	-	(318)	-	1,324	(12,265)
Restricted funds	296	3,816	(3,941)	-	-	171
Total funds	(11,475)	5,202	(5,548)	-	1,324	(10,497)

Restricted funds represent balances, none of which are considered to be material individually, in respect of many on-going projects where funds are shortly to be applied, having been restricted by the terms of the funding agreements.
Unrestricted designated and general expenditure relates mainly to non-project costs.

STATEMENT OF FUNDS FOR PRIOR YEAR

	31 March 2019					31 March 2020
	Brought forward	Incoming resources	Resources expended	Transfers	Other gains/ (losses)	Carried forward
	£'000	£'000	£'000	£'000	£'000	£'000
SUMMARY OF FUNDS						
<u>Unrestricted funds:</u>						
Designated funds	1,328	-	(101)	-	-	1,227
General fund	(335)	2,747	(2,139)	-	-	273
Total unrestricted fund before pension deficit	993	2,747	(2,240)	-	-	1,500
Less pension deficit	(14,491)	-	(186)	-	1,406	(13,271)
Restricted funds	483	3,198	(3,385)	-	-	296
Total funds	(13,015)	5,945	(5,811)	-	1,406	(11,475)

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds	Unrestricted funds	Total funds
	£'000	£'000	£'000
Tangible fixed assets	-	1,245	1,245
Net Current Assets	171	353	524
Provisions, long-term liabilities and pension liabilities	-	(12,265)	(12,265)
Net assets at the period end	171	(10,645)	(10,497)

ANALYSIS OF NET ASSETS BETWEEN FUNDS FOR THE PRIOR YEAR

	Restricted funds	Unrestricted funds	Total funds
	£'000	£'000	£'000
Tangible fixed assets	-	1,233	1,233
Net Current Assets	296	280	576
Provisions, long-term liabilities and pension liabilities	-	(13,284)	(13,284)
Net assets/(liabilities) at the period end	296	(11,771)	(11,475)

15. OPERATING LEASE COMMITMENTS

The charity's future minimum operating leases payments are as follows:

	2021	2020
	Land and buildings	Land and buildings
	£'000	£'000
Not later than one year	46	58
Later than one year but not later than five years	-	8
	46	66

VOLUNTEERING MATTERS
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

16. PENSION CONTRIBUTIONS AND COMMITMENTS

Volunteering Matters is a member of the London Borough of Islington defined benefit pension scheme and also participates in the Pensions Trust's Flexible Retirement defined contribution scheme.

Employer contributions of £0k (2020: £160k) were made to the London Borough of Islington defined benefit pension scheme in the year. The contractual payments due for the year ending 31 March 2021 is nil.

The disclosures set out below are based on the financial data supplied by Mercer, the Actuary to the London Borough of Islington. A triennial actuarial valuation of the Scheme was carried out at 31 March 2019 and was rolled forward to 31 March 2021. This was updated at 31 March 2021 by a qualified actuary using assumptions that are consistent with the requirements of FRS102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The major assumptions used for the valuation were:

	2021	2020
	%	%
Discount rate	2.1	2.4
Inflation (CPI)	2.7	2.1
Salary increases	4.2	3.6
Increases to pension in payment	2.8	2.2
Life expectancy current pensioner age 65 male	22.8	22.7
Life expectancy current pensioner age 65 female	25.3	25.7
Life expectancy pensioner age 65 male 20 years' time	24.3	24.2
Life expectancy pensioner age 65 female 20 years' time	27.2	27.6

The Charity's Scheme value of assets, and the present value of liabilities and the expected rate of return at 31 March 2021 were:

	2021	2020
	Value of assets	Value of assets
	£'000	£'000
Equities	27,428	24,417
Other bonds	5,485	4,841
Property	7,979	7,451
Cash/liquidity	2,493	210
Other	6,483	5,178
Total fair value of assets	49,868	42,097
Present fair value of funded benefit obligations	(62,133)	(55,368)
Deficit	(12,265)	(13,271)
Components of pension cost	2021	2020
	£'000	£'000
Interest on pension liabilities	(1,312)	(1,418)
Interest on plan assets	994	1,072
Total pension cost charged to expenditure (note 8)	(318)	(346)
Change in benefit obligation	2021	2020
	£'000	£'000
Benefit obligation at beginning of year	(55,368)	(59,811)
Interest on pension liabilities	(1,312)	(1,418)
Actuarial (losses)	(6,848)	4,396
Benefits/transfers paid	1,395	1,465
Benefit obligation at end of year	(62,133)	(55,368)
Change in plan assets	2021	2020
	£'000	£'000
Fair value of Scheme assets at beginning of year	42,097	45,320
Expected return on plan assets	994	1,072
Actuarial gains / (losses)	8,172	(2,990)
Employer contributions	-	160
Benefits/transfers paid	(1,395)	(1,465)
Fair value of Scheme assets at end of year	49,868	42,097
Statement of actuarial gains/(losses)	2021	2020
	£'000	£'000
Change in benefit obligation	(6,848)	4,396
Change in plan assets	8,172	(2,990)
Net gain	1,324	1,406

VOLUNTEERING MATTERS - Year ended 31 March 2021

VOLUNTEERING MATTERS NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

17. RELATED PARTIES

There were no related party transactions during the year.

18. Statement of Financial Activities for the period ended 31 March 2020

	Unrestricted Funds £'000	Restricted Funds £'000	Total to 31 March 2020 £'000
INCOME AND ENDOWMENTS FROM:			
Donations and legacies	73	310	383
Charitable activities	1,162	2,888	4,050
Property income	23	-	23
Other income (profit on disposal of Hornsey Road)	1,489		1,489
TOTAL INCOME AND ENDOWMENTS	2,747	3,198	5,945
EXPENDITURE ON:			
Raising funds	271	-	271
Charitable activities	2,155	3,385	5,540
TOTAL EXPENDITURE	2,426	3,385	5,811
Net income/(expenditure) for the year	321	(187)	134
Other recognised gains/ (losses):			
Actuarial gain on defined benefit pension schemes	1,406		1,406
NET MOVEMENT IN FUNDS	1,727	(187)	1,540
RECONCILIATION OF FUNDS:			
TOTAL FUNDS / (DEFICITS) B/F	(13,498)	483	(13,015)
TOTAL FUNDS / (DEFICITS) C/F	(11,771)	296	(11,475)

19. Subsequent Events

Volunteering Matters merged with Project Scotland on 1 April 2021. All of the assets and liabilities of Project Scotland were transferred to Volunteering Matters who will continue to deliver the work and projects. This included the transfer of appropriate staff under TUPE.

20. Contingent Liability

As at the year end the charity has a contingent obligation of £200,000 payable to the Charity's defined benefit pension scheme in the event that the charity disposes of its leasehold property fixed asset

Thanks to our Funding Partners

Thanks to the generosity of our donors and funding partners, hundreds of communities have benefited from the impact and support of our volunteers.

Across the country we have created change and brought people together to unite and tackle the biggest issues they face. We've been able to remove obstacles, break down barriers and give people the power and confidence to make change happen. Both for themselves and the communities they live in. And the support received from our donors has been key.

We want to send our heartfelt thanks to all our wonderful individuals, trusts, foundations, national and community organisations whose generosity has enabled us to invest in volunteering projects that transform lives and communities.

Barclays
BBC Children in Need
British Red Cross
Bradford Metropolitan District Council
Charlton Athletic Community Trust
City Bridge Trust
City of Edinburgh Council
Corra Foundation
Dundee City Council
Foundation Scotland
Greater London Authority
HMPPS
Holywood Trust
Interlink RCT
Ipswich Borough Council
London Borough of Hackney
London Borough of Haringey
London Borough of Hounslow
London Borough of Islington
London Borough of Waltham Forest
Masonic Charitable Foundation
Milton Keynes Council
National Grid
NatureScot
NCS Trust
NESTA
Newcastle Upon Tyne City Council
Newport City Council
Norfolk County Council

North Lanarkshire Council
Peacock Charitable Trust
Pembrokeshire Assoc'n of Voluntary Services
Pembrokeshire County Council
Players of People's Postcode Lottery awarding funds from Postcode Support Trust
Police, Fire and Crime Commissioner for Essex
Royal Borough of Greenwich Council
Royal British Legion
RS MacDonald Charitable Trust
Scottish Government
Southend-on-Sea Borough Council
Stirling Council
Stockton-on-Tees Borough Council
Suffolk Community Foundation
Suffolk County Council
Tampoon Tax Fund from Welsh Government
The Gannochy Trust
The Jecda Foundation
The National Lottery Community Fund
The Robertson Trust
Vestey Holdings
Walter Scott
Welsh Government
Waltham Forest Council
Wiltshire County Council
Youth Endowment Fund
Youth Futures Foundation

And to all our wonderful individual donors, we couldn't do what we do without you, THANK YOU!