

STRATEGIC REPORT, TRUSTEES' REPORT AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2023  
FOR  
VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)  
(A COMPANY LIMITED BY GUARANTEE)

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

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For The Year Ended 31 March 2023**

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**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**REFERENCE AND ADMINISTRATIVE DETAILS  
For The Year Ended 31 March 2023**

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<b>TRUSTEES</b>	L M Jones (Chair of Trustee Board) N Waghela (Vice Chair) M S Esat (Treasurer) E Rees (resigned 27.7.22) A Aggarwal D J Cullen C Mudhefi A R Jolley M Platt (resigned 27.7.22) G L Edwards J R Moore E Weatherer-Smith C Pugh Z Haque
<b>REGISTERED OFFICE</b>	9 Newarke Street Leicester LE1 5SN
<b>REGISTERED COMPANY NUMBER</b>	01357513
<b>REGISTERED CHARITY NUMBER</b>	509300
<b>AUDITORS</b>	TC Group 31 High View Close Hamilton Office Park Leicester Leicestershire LE4 9LJ
<b>SOLICITORS</b>	Shakespeare Martineau LLP 2 Colton Square Leicester LE1 1QH  Knights Plc 34 Pockingtons Walk Leicester LE1 6BU
<b>BANKERS</b>	Bank of Scotland Plc PO Box 1000 BX2 1LB

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**STRATEGIC REPORT  
For The Year Ended 31 March 2023**

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The Trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2023.

**Achievements and Performance**

This year was finally unaffected by any Covid restrictions but some of our amended work practices (such as hybrid working) have remained because they continue to be beneficial. Our key achievements have been:

VALUES - support for people with Learning Difficulties - The VALUES service provides direct support to, and aids the independence of, people with Learning Difficulties. We have 120 service users who pay for their support through their Personal Budget allocated by the Local Authority. The service operates 7 days a week and 51 weeks a year. This year in total we provided over 21,000 hrs of support to clients.

Building Better Opportunities

VAL is the Accountable Body for two contracts funded by the European Union and managed by The National Lottery Community Fund. They are both aimed at helping people into employment with one project (YES project) supporting young people into employment, and the other project (GREAT project) supporting families into employment. Both projects involve VAL as project managers, with other partners supporting the delivery alongside some delivery by VAL staff.

The YES project:

- We engaged a further 105 young people this year - by the end of March 2023 we had engaged a total of 823 young people towards our new programme target of 932 participants. We have achieved 88% of our targeted number of participants (requirement to end of project was 85% of target).
- This year 42 (last year 22) young people have moved on into employment or job search.
- This year 29 (last year 20) have enrolled into education or training.

The GREAT project:

- Has engaged a further 176 participants this year - by the end of March 2023 we had engaged a total of 898 participants towards our new programme target of 1,031 participants. We have achieved 87% of our targeted number of participants (requirement to end of project was 85% of target).
- This year 56 (last year 16) have moved on into employment, education or training.

VAL is also a delivery partner in another BBO project managed by VISTA (a local charity). This is the Work.Live.Leicestershire (WiLL) programme that helps people who are economically inactive or unemployed who are living in rural Leicestershire to move into job search, training, or employment. Our primary role is to support people to gain experience through volunteering. We have:

- Managed 104 project referrals (last year 78)
- Placed 38 people into volunteering (last year 20)
- Achieved a positive exit outcome for 88 participants (last year 19)

Sector Support - VAL has contracts to support voluntary and community groups and volunteering in Leicester City (through Health funding only) and Leicestershire. During the year we have:

- Supported over 1,100 people in volunteering in the City and County
- Organised 35 online or in person events with 600 attendees - including our annual Future Focus conference.
- Provided Direct Support for 868 local groups. (last year 389)
- Supported local groups to raise £351,399 in new income. (last year £157,281)
- Delivered regular communication to groups through our website and frequent electronic briefings - there are nearly 5,000 subscribers to our e-newsletters that provide updates on policy briefings, volunteering, funding and commissioning opportunities and economic impact.

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**STRATEGIC REPORT  
For The Year Ended 31 March 2023**

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**FINANCIAL REVIEW**

This financial year the organisation has recorded an 'in year' surplus in unrestricted funds of £48,282 (2022: surplus of £175,141)

During this year approximately 39% of VAL's expenditure was for the delivery of services to support people into employment or training, 24% was for Health and Social Care services, 24% was for children and young people services, and 13% of our expenditure was for supporting community and voluntary groups and volunteering.

VAL had the following significant contracts and grants this financial year:

- Leicestershire County Council - for delivery of support services to the community sector and volunteering.
- The National Lottery Community Fund as agent for European Social Investment Fund - for the Building Better Opportunities projects (YES, GREAT and WILL projects).

**POLICY ON RESERVES**

The charity had unrestricted reserves of over £2m as at 31 March 2023. The charity's reserves policy sets out an aim to accumulate free reserves equivalent to six months of VAL running costs over the next five years.

The trustees have two purposes for the accumulation of operating reserves:

1. To enable the organisation to be wound up if this is found prudent and necessary.
2. To finance the development of new or existing services.
3. TO invest in our assets to develop and enhance our income streams.

**PRINCIPAL FUNDING SOURCES**

The charity has not undertaken fundraising from the public in any significant way during the year. The majority of funds have been received from statutory authorities through service contracts, or from grant making bodies such as Trusts.

In the 2022-23 financial year funding was received from:

- o Leicestershire County Council
- o Leicester City Council
- o NHS Leicester Leicestershire and Rutland
- o NHS Leicestershire Partnership Trust
- o Rutland County Council
- o European Union
- o The National Lottery Community Fund
- o The Department of Culture, Media and Sport

**INVESTMENT POLICY AND OBJECTIVES**

The Trustees have reviewed their policy of retaining investment in easily accessible deposit accounts and confirmed it is necessary for cash-flow purposes to continue to utilise lower interest returns from easily accessible savings accounts. The charity has £250,000 invested in a 30-day notice account.

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**STRATEGIC REPORT  
For The Year Ended 31 March 2023**

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**PLANS FOR FUTURE PERIODS**

As noted in the last report this year has seen a cost-of-living crisis unfold as energy prices and inflation soared. So far VAL has managed to cope with these financial stresses and has also undergone a significant staff reorganisation to adjust to our future without the Building Better Opportunities projects. This has affected staff directly employed by those projects and we have had to reduce the scale of our central services and senior management. We anticipated these changes and took decisive action to manage the process and maintain the future prospects of VAL as a whole.

VAL has continued to keep itself in a relatively strong financial position, and the positive recognition of our work with communities and volunteers through this year has improved our status as a valued local partner. In the coming year we will:

1. Further develop the relationship between the Integrated Care system and the local VCS.
2. Build up more health and social care related service delivery by VAL.
3. Further expand our VALUES service - supporting people with a learning disability to live fulfilling lives as independently as possible.
4. Rebuild a positive working relationship on volunteering and group support when the City Council launches its VCSE Strategy after the local elections.

We have also recruited a new Chief Executive to replace Kevan Liles who is retiring in October 2023 after 33 years' service. After a detailed recruitment process, Kevin Allen-Khimani has been appointed as Chief Executive to succeed Kevan Liles. Kevin Allen-Khimani has been with VAL for over two decades and was most recently Sector Support Manager and part of VAL's Senior Leadership team working closely with the Chief Executive and Trustee Board.

**PRINCIPAL RISKS AND UNCERTAINTIES**

The principal risks facing the charity are:

**Financial**

- o Loss of major contracts - reducing overall income
- o Reduced public sector budgets resulting in lower value and fewer contracts
- o Fraud
- o Deficit on defined benefit pension scheme

**Reputational**

- o Failure to deliver contractual outcomes
- o Safeguarding issue not identified
- o Failure to follow legislative requirements

**People**

- o Recruiting a new Chief Executive
- o Loss of key personnel
- o Major unresolved customer complaint

The Trustee Board receive a risk report from the Chief Executive at every Board meeting. All risks are reviewed for their impact, likelihood and current dynamic to identify priority risks at any one time. There are a wide range of mitigating actions identified and implemented on a rolling basis.

Approved by order of the board of trustees on 13 September 2023 and signed on its behalf by:

  
.....

L M Jones - Trustee

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**TRUSTEES' REPORT  
For The Year Ended 31 March 2023**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The charity's objects are to promote any charitable purposes for the benefit of the community in the City of Leicester and County of Leicestershire, and to promote and organise co-operation in the achievement of this purpose.

Our strategic priorities were reviewed by the Trustee Board early in 2022 who were guided by our commitment to the goal of helping people change their lives for the better. As a result the Trustee Board agreed the following three key aims:

1. VAL empowers and invests in people to enable them to improve their lives
2. VAL provides a voice for and supports local voluntary and community groups who strive to meet community needs in a changing environment
3. VAL brings together communities, the private and public sectors to improve local lives

### **Objects, strategies and activities**

Voluntary Action Leicester (VAL) delivers a range of direct services to individuals in need as well as supporting a large number of local community and voluntary groups. The main activities we engage in to fulfil our charitable purposes and deliver public benefit are:

- o Assistance for unemployed or economically inactive people to get into work - with a focus on those furthest from the labour market.
- o Provision of support to people with a Learning Disability to live as independent and fulfilling lives as possible.
- o Supporting people to become volunteers in their community.
- o Providing information and support to local community and voluntary groups so they can thrive.

### **Public benefit**

Our main activities and the individuals and communities we aim to help are described above. All our charitable activities focus on the involvement of people in the improvement of communities and are undertaken to further our charitable purposes for the public benefit. We do not limit access to our activities to people and groups within our geographic area of benefit and take steps to reduce barriers to access for individuals and groups through ensuring accessible venues, providing accessible materials, and running specific projects targeted at disadvantaged members of the public.

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees considered how our planned activities contribute to the aims and objectives that they have set.

### **Use of Volunteers**

The charity involves volunteers in a range of ways to enhance our service delivery:

- o Governance of the organisation through the Trustee Board;
- o Delivery of clerical and other support to VAL service delivery;
- o A scheme for supported volunteering of people with learning disabilities.
- o Supporting the local community in the pandemic and subsequently supporting the vaccination drive

We have a full range of policies and procedures in place to ensure this involvement is successful and beneficial to all parties. VAL is a recognised Investor in Volunteers (a national standard managed by the National Association of Voluntary and Community Action (NAVCA)).

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**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
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**TRUSTEES' REPORT  
For The Year Ended 31 March 2023**

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**OBJECTIVES AND ACTIVITIES**

**Employment of disabled persons**

As part of our previous recognition as an investor in people we have well established mechanisms for the involvement of employees. Our premises are fully accessible for people with disabilities, and at least 10% of our employees have declared disabilities.

**Going concern**

No material uncertainties that may cast significant doubt upon the ability of the Charity to continue as a going concern have been identified by the Trustees. Therefore the accounts are prepared on the going concern basis.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is a charitable company limited by guarantee and was set up on 20 May 1965 as an unincorporated organisation. It was incorporated as a company limited by guarantee on 14 March 1978, and is governed by a memorandum and articles of association, which were last amended in February 2022 to move the organisation to the Charity Commission Model.

The organisation was registered as a charity on 31 October 1979.

The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles the members of the Trustee Board are appointed to serve a maximum period of 3 years before being eligible for re-appointment. Honorary Officers are elected from amongst the Trustees, by the Trustees at their first meeting after the AGM.

**Recruitment and appointment of new trustees**

Our Trustee Board members are all members of the charity (either individual members or nominated representatives of group members). Membership is open to community and voluntary groups in the City of Leicester and the County of Leicestershire, and to individuals who support our charitable objects. Currently there are 536 voluntary and community groups in membership. The Trustee Board recruit new Trustees through seeking nomination from members and/or openly advertising in the local press. Prospective Trustees are interviewed by a panel of three existing trustees. Any new appointment has to be endorsed by the membership at the next Annual General Meeting but can serve in the meantime. The Trustees have the power to co-opt up to three further Trustees and to fill casual vacancies arising through the year.

**Organisational structure**

The Trustee Board comprises up to 15 trustees who appoint three honorary officers from their number. The Trustee Board currently meet monthly and take all strategic decisions of the charity as well as monitor progress against our activity and financial plans.

**Induction and training of new trustees**

All Trustee Board members receive training and/or support identified further training to enable them to fulfil their role as Trustees. All trustees receive an induction pack that contains information on the charity and guidance on their roles as charity trustees and company directors.

**Arrangements for setting key management personnel remuneration**

The Trustee Board sets targets for the Chief Executive each year - and monitors their progress against these targets. Subject to this performance, the financial health of the charity, and a review of the salary market for charity Chief Executives, the Trustee Board may determine to alter the remuneration of the Chief Executive.

**Relationships with Related Parties**

The charity is a member of two national voluntary sector umbrella bodies, namely National Association of Voluntary and Community Action (NAVCA) and National Council for Voluntary Organisations (NCVO). These bodies provide best practice advice and link to national policy.

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**TRUSTEES' REPORT  
For The Year Ended 31 March 2023**

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**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Financial instruments**

**Objectives and policies**

The Charity's activities expose it to financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the charity's policies governed by the board of trustees which provide written principles on the use of financial derivatives to manage these risks. The charity does not use derivative financial instruments for speculative purposes.

**Credit Risk**

The charity's principal financial assets are bank balances and cash, trade or other receivables, and investments. The Charity's credit risk is primarily related to its trade receivables. The amounts presented in the balance sheet are net of allowances, for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of cash flows.

The Charity has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

**Liquidity Risk**

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Charity uses a mixture of long term and short term debt finance. Further details regarding liquidity risk can be found in the statement of accounting policies in the financial statements.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees (who are also the directors of Voluntary Action Leicester known as Voluntary Action Leicestershire (VAL) 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 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

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

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**TRUSTEES' REPORT  
For The Year Ended 31 March 2023**

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Approved by order of the board of trustees on 13 September 2023 and signed on its behalf by:

A handwritten signature in blue ink, appearing to read 'Linda Jones', is written over a light blue rectangular background.

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L M Jones - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

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**Opinion**

We have audited the financial statements of Voluntary Action Leicester known as Voluntary Action Leicestershire (VAL) (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis 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 Auditors' 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 Report of the Independent Auditors 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
VOLUNTARY ACTION LEICESTER  
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VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

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**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 Strategic Report and the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

**Responsibilities of trustees**

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

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

**Our 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 a Report of the Independent Auditors 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.

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

We obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (UK GAAP and the Companies Act 2006) and the relevant tax compliance regulations in the UK.

We understood how the charitable company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through review of board minutes and discussions with those charged with governance.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including how fraud might occur, by discussion with management from various parts of the business to understand where they considered there was a susceptibility to fraud. We considered the procedures and controls that the charitable company has established to prevent and detect fraud, and how these are monitored by management, and also any enhanced risk factors such as performance targets.

Based on our understanding, we designed our audit procedures to identify any non-compliance with laws and regulations identified in the paragraphs above.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
VOLUNTARY ACTION LEICESTER  
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We also performed audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**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.



Richard Buckby FCA (Senior Statutory Auditor)  
for and on behalf of TC Group  
31 High View Close  
Hamilton Office Park  
Leicester  
Leicestershire  
LE4 9LJ

Date: 15.09.2023 .....

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**STATEMENT OF FINANCIAL ACTIVITIES  
For The Year Ended 31 March 2023**

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	1,441	-	1,441	1,557
Charitable activities	4	1,093,559	1,886,157	2,979,716	2,576,421
Investment income	3	<u>253,050</u>	<u>-</u>	<u>253,050</u>	<u>227,998</u>
<b>Total</b>		<u>1,348,050</u>	<u>1,886,157</u>	<u>3,234,207</u>	<u>2,805,976</u>
<b>EXPENDITURE ON</b>					
Raising funds	5	266,500	-	266,500	188,721
Charitable activities	6	1,033,268	1,889,949	2,923,217	2,497,435
<b>Total</b>		<u>1,299,768</u>	<u>1,889,949</u>	<u>3,189,717</u>	<u>2,686,156</u>
<b>NET INCOME/(EXPENDITURE)</b>		48,282	(3,792)	44,490	119,820
<b>Other recognised gains/(losses)</b>					
Actuarial gains on defined benefit schemes		<u>1,910,000</u>	<u>-</u>	<u>1,910,000</u>	<u>1,280,000</u>
<b>Net movement in funds</b>		1,958,282	(3,792)	1,954,490	1,399,820
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		<u>932,820</u>	<u>332,525</u>	<u>1,265,345</u>	<u>(134,475)</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>2,891,102</u></u>	<u><u>328,733</u></u>	<u><u>3,219,835</u></u>	<u><u>1,265,345</u></u>

The notes form part of these financial statements

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL) (REGISTERED NUMBER: 01357513)**

**BALANCE SHEET  
31 March 2023**

	Notes	2023 £	2022 £
<b>FIXED ASSETS</b>			
Tangible assets	13	2,508,211	2,477,702
<b>CURRENT ASSETS</b>			
Debtors	14	287,984	140,163
Cash at bank and in hand		<u>861,949</u>	<u>933,066</u>
		1,149,933	1,073,229
<b>CREDITORS</b>			
Amounts falling due within one year	15	(312,794)	(206,029)
<b>NET CURRENT ASSETS</b>		<u>837,139</u>	<u>867,200</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3,345,350	3,344,902
<b>CREDITORS</b>			
Amounts falling due after more than one year	16	(125,515)	(169,557)
<b>PENSION LIABILITY</b>	20	-	(1,910,000)
<b>NET ASSETS</b>		<u>3,219,835</u>	<u>1,265,345</u>
<b>FUNDS</b>	19		
Unrestricted funds		2,891,102	932,820
Restricted funds		<u>328,733</u>	<u>332,525</u>
<b>TOTAL FUNDS</b>		<u>3,219,835</u>	<u>1,265,345</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 13 September 2023 and were signed on its behalf by:



.....  
L M Jones - Trustee

The notes form part of these financial statements

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**CASH FLOW STATEMENT  
For The Year Ended 31 March 2023**

	Notes	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	77,214	150,725
Interest paid		<u>(7,055)</u>	<u>(8,535)</u>
Net cash provided by operating activities		<u>70,159</u>	<u>142,190</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(102,548)	(93,000)
Interest received		<u>3,686</u>	<u>78</u>
Net cash used in investing activities		<u>(98,862)</u>	<u>(92,922)</u>
<b>Cash flows from financing activities</b>			
Loan repayments in year		<u>(42,414)</u>	<u>(40,935)</u>
Net cash provided by/(used in) financing activities		<u>-</u>	<u>(40,935)</u>
		<u>                    </u>	<u>                    </u>
<b>Change in cash and cash equivalents in the reporting period</b>		(71,117)	8,333
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>933,066</u>	<u>924,733</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>861,949</u>	<u>933,066</u>

The notes form part of these financial statements

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**NOTES TO THE CASH FLOW STATEMENT  
For The Year Ended 31 March 2023**

**1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2023 £	2022 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	44,490	119,820
<b>Adjustments for:</b>		
Depreciation charges	72,039	56,142
Interest received	(3,686)	(78)
Interest paid	7,055	8,535
(Increase)/decrease in debtors	(147,821)	1,284
Increase/(decrease) in creditors	<u>105,137</u>	<u>(34,978)</u>
<b>Net cash provided by operations</b>	<u><u>77,214</u></u>	<u><u>150,725</u></u>

**2. ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.22 £	Cash flow £	At 31.3.23 £
<b>Net cash</b>			
Cash at bank and in hand	<u>933,066</u>	<u>(71,117)</u>	<u>861,949</u>
	<u>933,066</u>	<u>(71,117)</u>	<u>861,949</u>
<b>Debt</b>			
Debts falling due within 1 year	(42,414)	(1,628)	(44,042)
Debts falling due after 1 year	<u>(169,557)</u>	<u>44,042</u>	<u>(125,515)</u>
	<u>(211,971)</u>	<u>42,414</u>	<u>(169,557)</u>
<b>Total</b>	<u><u>721,095</u></u>	<u><u>(28,703)</u></u>	<u><u>692,392</u></u>

The notes form part of these financial statements

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**NOTES TO THE FINANCIAL STATEMENTS  
For The Year Ended 31 March 2023**

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**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain assets.

**Critical accounting judgements and key sources of estimation uncertainty**

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. The principal estimates and judgements that could have a significant effect upon the charity's financial results relate to:

Useful economic lives of tangible fixed assets - The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. The carrying amount of the tangible fixed assets is shown in note 13 and note 1 gives the useful economic lives for each class of assets.

**Income**

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

**Donations and legacies**

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the Charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

**Donated services and facilities**

Intangible income, which comprises donated services, is included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

**Gift aid**

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

**Investment income**

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

**Government grants**

Government grants relating to the Coronavirus Job Retention Scheme are recognised in income in the period in which it becomes receivable under the performance model.

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
For The Year Ended 31 March 2023**

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**1. ACCOUNTING POLICIES - continued**

**Expenditure**

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

**Raising funds**

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

**Charitable activities**

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

**Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustee meetings and reimbursed expenses.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Fixtures and fittings	- 5% - 25% straight line

Assets under construction - Assets under the course of construction are held at cost and not depreciated until the asset has been brought into use.

Tangible fixed assets other than freehold properties are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical costs includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Fixed assets costing £2,000 or more are initially recorded at cost.

**Revaluation of tangible fixed assets**

Freehold property is carried at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values are determined from market-based evidence normally undertaken by a professionally qualified valuer or where appropriate by the board of trustees on an open market value for existing use basis. It is the trustees' policy to revalue every 5 years.

**Taxation**

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

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
For The Year Ended 31 March 2023**

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**1. ACCOUNTING POLICIES - continued**

**Fund accounting**

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

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

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

**Pension costs and other post-retirement benefits**

Retirement benefits to employees of the charity are provided by the Local Government Pension Scheme ('LGPS'). This is a defined benefit scheme.

The LGPS is a funded multi-employer 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 other recognised gains and losses are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. 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. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses. Actuarial gains and losses are recognised immediately in other recognised gains and losses.

The charity also operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

**Financial instruments**

**Classification**

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

**Recognition and measurement**

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
For The Year Ended 31 March 2023**

**1. ACCOUNTING POLICIES - continued**

**Financial instruments**

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

**2. DONATIONS AND LEGACIES**

	2023	2022
	£	£
Donations and gifts	<u>1,441</u>	<u>1,557</u>

**3. INVESTMENT INCOME**

	2023	2022
	£	£
Rental income	215,540	199,444
Room hire income	33,824	28,476
Deposit account interest	<u>3,686</u>	<u>78</u>
	<u>253,050</u>	<u>227,998</u>

**4. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds	Restricted funds	2023	2022
	£	£	£	£
Support services for VCS groups and volunteers	377,156	2,421	379,577	547,727
Health and social care related services (adults)	694,213	25,000	719,213	583,961
Children, young people and families services	5,000	715,784	720,784	700,585
Support to get people into employment or training	10,000	1,142,952	1,152,952	733,604
Training courses	150	-	150	1,070
Consultancy income	7,040	-	7,040	588
Coronavirus Job Retention Scheme	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,886</u>
	<u>1,093,559</u>	<u>1,886,157</u>	<u>2,979,716</u>	<u>2,576,421</u>

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
For The Year Ended 31 March 2023**

**5. RAISING FUNDS**

**Raising donations and legacies**

	2023 £	2022 £
Staff costs	<u>220,604</u>	<u>143,532</u>

**Other trading activities**

	2023 £	2022 £
Shared costs	<u>45,896</u>	<u>45,189</u>

Aggregate amounts	<u>266,500</u>	<u>188,721</u>
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**6. CHARITABLE ACTIVITIES COSTS**

	Unrestricted funds £	Restricted funds £	2023 £	2022 £
Support services for VCS groups and volunteers	307,030	46,892	353,922	521,758
Health & social care related services (adults)	713,966	5,398	719,364	543,463
Children, young people and families services	12,272	690,675	702,947	687,533
Support to get people into employment or training	-	1,146,984	1,146,984	744,681
	<u>1,033,268</u>	<u>1,889,949</u>	<u>2,923,217</u>	<u>2,324,735</u>

**7. GOVERNANCE COSTS**

	Governance costs £
Audit fee	<u>8,000</u>

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
For The Year Ended 31 March 2023**

**8. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2023	2022
	£	£
Audit of financial statements	8,000	6,750
Depreciation - owned assets	72,039	56,142
Finance charges payable	<u>9,482</u>	<u>9,421</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

**Trustees' expenses**

No trustees' received reimbursed travel expenses during the year ended 31 March 2023 (2022: Nil).

**10. STAFF COSTS**

	2023	2022
	£	£
Wages and salaries	1,966,379	1,627,821
Social security costs	172,330	125,961
Other pension costs	<u>182,552</u>	<u>165,569</u>
	<u>2,321,261</u>	<u>1,919,351</u>

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

	2023	2022
Charitable activities	59	49
Administration	4	5
Trading	<u>4</u>	<u>4</u>
	<u>67</u>	<u>58</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£60,001 - £70,000	-	1
£70,001 - £80,000	<u>1</u>	<u>-</u>
	<u>1</u>	<u>1</u>

Contributions to the employee pension scheme for the year totalled £182,125 (2022 - £165,569).

The total employee benefits of the key management personnel of the charity were £252,983 (2022: £233,984).

**VOLUNTARY ACTION LEICESTER  
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VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
For The Year Ended 31 March 2023**

**11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	2	1,557	-	1,557	3,167
Charitable activities	4	1,136,456	1,439,965	2,576,421	2,455,791
Investment income	3	<u>227,998</u>	<u>-</u>	<u>227,998</u>	<u>117,410</u>
<b>Total</b>		1,366,011	1,439,965	2,805,976	2,576,368
<b>EXPENDITURE ON</b>					
Raising funds	5	188,721	-	188,721	148,746
Charitable activities	6	1,002,149	1,495,286	2,497,435	2,324,735
<b>Total</b>		<u>1,190,870</u>	<u>1,495,286</u>	<u>2,686,156</u>	<u>2,473,481</u>
<b>NET INCOME/(EXPENDITURE)</b>		175,141	(55,321)	119,820	102,887
<b>Other recognised gains/(losses)</b>					
Actuarial gains/(losses) on defined benefit schemes		<u>1,280,000</u>	<u>-</u>	<u>1,280,000</u>	<u>(1,680,000)</u>
<b>Net movement in funds</b>		1,455,141	(55,321)	1,399,820	(1,577,113)
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>(522,321)</u>	<u>387,846</u>	<u>(134,475)</u>	<u>1,442,638</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>932,820</u></u>	<u><u>332,525</u></u>	<u><u>1,265,345</u></u>	<u><u>(134,475)</u></u>

**12. TAXATION**

The charity is a registered charity and is therefore exempt from taxation.

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
For The Year Ended 31 March 2023**

**13. TANGIBLE FIXED ASSETS**

	Freehold property £	Assets under construction £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 April 2022	2,500,000	93,000	65,158	2,658,158
Additions	-	-	102,548	102,548
Reclassification	-	(93,000)	93,000	-
At 31 March 2023	<u>2,500,000</u>	<u>-</u>	<u>260,706</u>	<u>2,760,706</u>
<b>DEPRECIATION</b>				
At 1 April 2022	150,000	-	30,456	180,456
Charge for year	<u>50,000</u>	<u>-</u>	<u>22,039</u>	<u>72,039</u>
At 31 March 2023	<u>200,000</u>	<u>-</u>	<u>52,495</u>	<u>252,495</u>
<b>NET BOOK VALUE</b>				
At 31 March 2023	<u>2,300,000</u>	<u>-</u>	<u>208,211</u>	<u>2,508,211</u>
At 31 March 2022	<u>2,350,000</u>	<u>93,000</u>	<u>34,702</u>	<u>2,477,702</u>

The freehold property was revalued at 31 March 2019 by Innes England in accordance with RICS Valuations - Global Standards 2017. The trustees' policy is to revalue every 5 years.

If freehold property had not been included at valuation, it would be valued at the following amounts:

	2023 £	2022 £
Cost	3,060,519	3,060,519
Accumulated depreciation	(1,212,491)	(1,151,281)
Net book value	<u>1,848,028</u>	<u>1,909,238</u>

Voluntary Action Leicester owns the freehold of the premises from which it operates. The building is utilised by the charity as its head office. Rooms are let throughout the year to generate income for the charity to support its activities.

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
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**NOTES TO THE FINANCIAL STATEMENTS - continued  
For The Year Ended 31 March 2023**

**14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Trade debtors	280,722	107,790
Prepayments	5,328	4,444
Accrued income	<u>1,934</u>	<u>27,929</u>
	<u>287,984</u>	<u>140,163</u>

**15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2023	2022
	£	£
Bank loans and overdrafts (see note 17)	44,042	42,414
Trade creditors	43,332	23,667
Social security and other taxes	38,898	36,078
VAT	27,792	8,751
Other creditors	35,881	38,457
Accruals and deferred income	<u>122,849</u>	<u>56,662</u>
	<u>312,794</u>	<u>206,029</u>

**16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2023	2022
	£	£
Bank loans (see note 17)	<u>125,515</u>	<u>169,557</u>

**17. LOANS**

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Bank loans	<u>44,042</u>	<u>42,414</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>125,515</u>	<u>169,557</u>

Bank loans are secured by a fixed charge on the property and attached fixtures, plant and machinery.

**VOLUNTARY ACTION LEICESTER  
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**NOTES TO THE FINANCIAL STATEMENTS - continued  
For The Year Ended 31 March 2023**

**18. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Fixed assets	2,254,266	253,945	2,508,211	2,477,702
Current assets	1,074,732	75,201	1,149,933	1,073,229
Current liabilities	(312,381)	(413)	(312,794)	(206,029)
Long term liabilities	(125,515)	-	(125,515)	(169,557)
Pension liability	-	-	-	(1,910,000)
	<u>2,891,102</u>	<u>328,733</u>	<u>3,219,835</u>	<u>1,265,345</u>

**19. MOVEMENT IN FUNDS**

	At 1 April 2022 £	Incoming resources £	Resources expended £	Gains / (losses) transfers £	At 31 March 2023 £
<b>Unrestricted funds</b>					
General fund	2,350,012	1,348,050	(1,299,768)	3,108	2,401,402
Pension reserve	(1,910,000)	-	-	1,910,000	-
	<u>440,012</u>	<u>1,348,050</u>	<u>(1,299,768)</u>	<u>1,913,108</u>	<u>2,401,402</u>
<b>Designated</b>					
Equipment reserve	25,000	-	-	-	25,000
Redundancy reserve	50,000	-	-	-	50,000
Property maintenance reserve	20,000	-	-	-	20,000
	<u>95,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>95,000</u>
<b>Total unrestricted funds</b>	<u>535,012</u>	<u>1,348,050</u>	<u>(1,299,768)</u>	<u>1,910,000</u>	<u>2,496,402</u>
<b>Revaluation reserve fund</b>					
Fixed asset reserve	397,808	-	-	(3,108)	394,700
<b>Total revaluation reserve</b>	<u>397,808</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>394,700</u>
<b>Restricted funds</b>					
9 Newarke Street	300,837	-	(46,892)	-	253,945
YES Project	15,899	686,784	(690,675)	-	12,008
GREAT Project	6,393	915,713	(915,334)	-	6,772
WILL - Work in Live Leicestershire	2,876	222,790	(226,079)	-	(413)
WILL donations	1,122	-	(1,122)	-	-
YES donations	-	-	-	-	-
VCSE Insights	-	-	-	-	-
Kickstart	-	4,449	(4,449)	-	-
LeDeR	1,888	-	(1,888)	-	-
MENCAP – Tackling inequalities	3,510	-	(3,510)	-	-
Population Health Management	-	25,000	-	-	25,000
LCC Covid Safe	-	2,421	-	-	2,421
Randall Foundation - Children in Care events	-	29,000	-	-	29,000
	<u>332,525</u>	<u>1,886,157</u>	<u>(1,889,949)</u>	<u>-</u>	<u>328,733</u>
<b>TOTAL FUNDS</b>	<u>1,265,345</u>	<u>3,234,207</u>	<u>(3,189,717)</u>	<u>1,910,000</u>	<u>3,219,835</u>

**VOLUNTARY ACTION LEICESTER  
KNOWN AS  
VOLUNTARY ACTION LEICESTERSHIRE (VAL)**

**NOTES TO THE FINANCIAL STATEMENTS - continued  
For The Year Ended 31 March 2023**

**19. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

	At 1 April 2021	Incoming resources	Resources expended	Gains / (losses) transfers	At 31 March 2022
	£	£	£	£	£
<b>Unrestricted funds</b>					
General fund	2,171,763	1,366,011	(1,190,870)	3,108	2,350,012
Pension reserve	(3,190,000)	-	-	1,280,000	(1,910,000)
	<u>(1,018,237)</u>	<u>1,366,011</u>	<u>(1,190,870)</u>	<u>1,283,108</u>	<u>440,012</u>
<b>Designated</b>					
Equipment reserve	25,000	-	-	-	25,000
Redundancy reserve	50,000	-	-	-	50,000
Property maintenance reserve	20,000	-	-	-	20,000
	<u>95,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>95,000</u>
<b>Total unrestricted funds</b>	<u>(923,237)</u>	<u>1,366,011</u>	<u>(1,190,870)</u>	<u>1,283,108</u>	<u>535,012</u>
<b>Revaluation reserve fund</b>					
Fixed asset reserve	400,916	-	-	(3,108)	397,808
<b>Total revaluation reserve</b>	<u>400,916</u>	<u>-</u>	<u>-</u>	<u>(3,108)</u>	<u>397,808</u>
<b>Restricted funds</b>					
9 Newarke Street	347,729	-	(46,892)	-	300,837
YES Project	1,847	700,585	(686,533)	-	15,899
GREAT Project	18,053	559,829	(571,489)	-	6,393
Will - Work in Live Leicestershire	1,613	150,642	(149,379)	-	2,876
Will donations	1,299	-	(177)	-	1,122
YES donations	1,000	-	(1,000)	-	-
VCSE Insights	16,305	-	(16,305)	-	-
Kickstart	-	23,133	(23,133)	-	-
LeDeR	-	2,266	(378)	-	1,888
MENCAP – Tackling inequalities	-	3,510	-	-	3,510
	<u>387,846</u>	<u>1,439,965</u>	<u>(1,495,286)</u>	<u>-</u>	<u>332,525</u>
<b>TOTAL FUNDS</b>	<u>(134,475)</u>	<u>2,805,976</u>	<u>(2,686,156)</u>	<u>1,280,000</u>	<u>1,265,345</u>

**VOLUNTARY ACTION LEICESTER  
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**NOTES TO THE FINANCIAL STATEMENTS - continued  
For The Year Ended 31 March 2023**

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**19. MOVEMENT IN FUNDS - continued**

The specific purposes for which the funds are to be applied are as follows:

**9 Newarke Street**

The fund represents the historic cost of the property at 9 Newarke Street. Expenditure charged to the fund is depreciation on the building.

**YES project**

Youth Employability Support programme assisting young people (under 25) in Leicester and Leicestershire into work or training. The programme is jointly funded by The National Lottery Community Fund and European Social Investment Fund.

**GREAT project**

Getting Ready for Employment And Training programme assisting families in Leicester and Leicestershire into work or training. The programme is jointly funded by The National Lottery Community Fund and European Social Investment Fund.

**ESF - Leicester Employment Hub**

VAL is a delivery partner for the Leicester Employment Hub, a project funded by the European Social Fund that supports people to find short term volunteering opportunities to help them gain work experience, develop their skills and explore new career prospects.

**Will - Work in Live Leicestershire**

A Building Better Opportunities programme working with participants to move them closer to employability or training via volunteering.

**Social Investment Ready Leicester**

A programme to train our staff to understand the social investment in the area in more detail and then use this knowledge to create social investment programmes to benefit the local communities.

**DWP - Economic Impact**

A European funded programme (through the Department for Work and Pensions as managing agent) that provides technical assistance to local groups seeking to secure European Funding.

**Will Donations**

A public donation that the donor specifies must be utilised to the benefit of the Will project.

**YES Donations**

A corporate donation gifted for the benefit of participants of the YES project.

**VCSE Insights**

The VCSE Insights Project was a project that enabled VAL to speak to and understand the needs of our local VCS groups during the COVID-19 pandemic. Information given helped to shape VAL services to support, give advice and guide the local voluntary sector as well as help with their urgent needs. The project was funded by The National Lottery Community Fund's COVID-19 Emergency Fund.

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**NOTES TO THE FINANCIAL STATEMENTS - continued  
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**19. MOVEMENT IN FUNDS - continued**

**Kickstart**

The Kickstart Scheme provides government funding to create new jobs for 16 to 24 year olds on Universal Credit who are at risk of long term unemployment.

**LeDeR**

Learning from the lives and deaths of people with a learning disability (LeDeR) and Health Inequalities coproduction project. The NHS England grant money is to be used, in part, to encourage and empower people with a learning disability and / or autism and provide them with an opportunity to voice their opinions, share their lived experiences and assist in co-production of services and local health and social care strategic development.

**Mencap - Tackling inequalities**

The funding from Mencap's Tackling Inequalities Fund enables VAL to support young people with learning disabilities to participate in sport. The aim is to increase participation, improve health and support inclusion.

**Population Health Management**

The Integrated Care Board (ICB) provides funding for Population Health management initiatives across Leicester and Leicestershire. VAL was appointed to manage and administer these grants that support projects from local VCSE organisations meeting the need of reducing health inequalities.

**LCC Covid Safe**

VAL managed and administered a local Lockdown Support Fund on behalf of Leicester City Council. The funding was available to established Voluntary, Community, Social Enterprise and Faith based organisations in Leicester City. Funds were to support activity around enabling Leicester to exit lockdown and support VCSE organisations offering front line services which address the needs of the community in light of the effects of COVID-19.

**Randall Foundation - Children in Care events**

The Randall Foundation provided grant funding to VAL for two Celebration Events for Children in Care from Leicestershire, enabling 700 looked-after children and care leavers to have their achievements celebrated. The young people were nominated for an award by a range of professionals to recognise the positive progression they have made in their lives, which are designed to raise their self-esteem and recognise how their efforts are valued.

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**NOTES TO THE FINANCIAL STATEMENTS - continued  
For The Year Ended 31 March 2023**

**20. EMPLOYEE BENEFIT OBLIGATIONS**

**Defined benefit pension schemes**

**Local Government Pension Scheme (LGPS)**

The Charity operates a defined benefit pension scheme that was closed to new members in 2013. The amounts in the financial statements for the year ending 31 March 2023, relating to pensions, are based on an actuarial valuation dated 8 June 2023. The actuarial valuation calculated the fair value of plan assets to be in excess of the defined benefit obligation giving a plan surplus as at 31 March 2023 of £1,108,000. FRS102 28.22 states that a plan surplus shall be recognised only to the extent that the entity is able to recover the surplus through either reduced contributions in the future or through refunds from the plan. The trustees believe there to be insufficient certainty over the ability to meet these conditions and therefore the plan surplus has not been recognised.

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Present value of funded obligations	(5,321,000)	(8,692,000)
Fair value of plan assets	6,429,000	6,782,000
Restriction of plan surplus	<u>(1,108,000)</u>	<u>-</u>
	-	(1,910,000)
Present value of unfunded obligations	<u>-</u>	<u>-</u>
Surplus/(Deficit)	<u>-</u>	<u>(1,910,000)</u>
Net liability	<u>-</u>	<u>(1,910,000)</u>

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Current service cost	148,000	181,000
Net interest from net defined benefit asset/liability	53,000	66,000
Past service cost	<u>-</u>	<u>-</u>
	<u>201,000</u>	<u>247,000</u>
Actual return on plan assets	<u>(398,000)</u>	<u>684,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS - continued  
For The Year Ended 31 March 2023**

**20. EMPLOYEE BENEFIT OBLIGATIONS - continued**

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

	Defined benefit pension plans	
	2023	2022
	£	£
Opening defined benefit obligation	8,692,000	9,256,000
Current service cost	148,000	181,000
Contributions by scheme participants	30,000	26,000
Interest cost	240,000	191,000
Actuarial losses/(gains)	(3,716,000)	(877,000)
Benefits paid	<u>(73,000)</u>	<u>(85,000)</u>
	<u>5,321,000</u>	<u>8,692,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Opening fair value of scheme assets	6,782,000	6,066,000
Contributions by employer	88,000	91,000
Contributions by scheme participants	30,000	26,000
Expected return	187,000	125,000
Actuarial gains/(losses)	(585,000)	559,000
Benefits paid	<u>(73,000)</u>	<u>(85,000)</u>
	<u>6,429,000</u>	<u>6,782,000</u>

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

	Defined benefit pension plans	
	2023	2022
	£	£
Actuarial gains/(losses)	3,018,000	1,280,000
Restriction of plan surplus	<u>(1,108,000)</u>	<u>-</u>
	<u>1,910,000</u>	<u>1,280,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS - continued  
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**20. EMPLOYEE BENEFIT OBLIGATIONS - continued**

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Equities	3,600,240	4,069,000
Bonds	2,185,860	1,967,000
Property	450,030	543,000
Cash	192,870	203,000
	<u>6,429,000</u>	<u>6,782,000</u>

The pension scheme has not invested in any of the charity's own financial instruments or in properties or other assets used by the charity.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2023	2022
Discount rate	4.75%	2.75%
Future salary increases	3.45%	3.65%
Future pension increases	2.95%	3.15%

**Post retirement mortality assumptions**

	2023 Years	2022 Years
Current UK pensioners at retirement age - male	20.2	21.5
Current UK pensioners at retirement age - female	24.1	24.0
Future UK pensioners at retirement age - male	22.0	22.4
Future UK pensioners at retirement age - female	25.5	25.7

**21. CAPITAL COMMITMENTS**

	2023 £	2022 £
Contracted but not provided for in the financial statements	<u>38,462</u>	<u>89,176</u>

**22. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 March 2023 and 31 March 2022.