



**TOGETHER
FOR LIVERPOOL
FOR GOOD**

LIVERPOOL CHARITY AND VOLUNTARY SERVICES

Trustees' Report and Financial Statements for the year ended 31 March 2021

Company Registration No. : 181759

Charity Registration No.: 223485



**Liverpool Charity and Voluntary Services
Trustees' Report and Accounts for the year ended 31
March 2021**

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The trustees present their report and the audited financial statements of the charity and its subsidiaries for the year ended 31st March 2021. The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland – FRS 102 (effective 1 January 2015) and the charity's governing document.

THE CHARITY

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

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

OBJECTIVES AND MISSION

Charitable Objects

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

Mission Statement

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

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

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

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

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

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

STRUCTURE, GOVERNANCE & MANAGEMENT

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

The Board of Trustees has the following sub-committees:

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

The **Governance Committee** monitors compliance.

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

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

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

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

The Chief Executive (Co-Chief Executives to 31st August 2020) is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate effective operations, the Chief Executive (Co-Chief Executives) has delegated authority, within terms of delegation approved by the trustees, for operational matters including finance and employment.

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

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

ACTIVITIES, ACHIEVEMENTS, IMPACT & FUTURE PLANS

The trustees, as company directors, present this report on activities, achievements and impact during 202/2021.

In March 2020, as cases of Covid-19 rose across the world, the World Health Organisation declared a global pandemic. On 23 March, Britain went into lockdown and life changed dramatically for all of us. Businesses closed, visiting friends and family was prohibited and vulnerable people were asked to shield in their own homes for the foreseeable future. This led to millions of people becoming dependent on the support of their communities in order to meet their basic needs.

Many voluntary organisations, already supporting our community's most vulnerable people, swiftly scaled up their services to meet increasing demand. In most cases, they were compelled to radically alter their ways of working. Across the board, they faced an uncertain future as they waited for funders to respond to the pandemic.

Since the pandemic began, Liverpool's voluntary sector has achieved extraordinary things. Hundreds of organisations have gone to great lengths to support thousands of vulnerable people through one of the most challenging periods in our lifetime.

They were supported at every step of the way by the team here at Liverpool Charity and Voluntary Services (LCVS) and the funders that enable us to provide that assistance. In close partnership with public sector colleagues, as well as an army of volunteers, local charities ensured that people in crisis were accounted for, heard and fed.

Clearly this has been a major focus of our activity during the year but, in addition, we maintained delivery of our services with the exception of face-to-face training, which was moved online toward the end of 2020. Whilst it is hoped that face-to-face sessions will resume in the future we have taken the opportunity to explore developing alternative methods of delivery as a permanent model.

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

1. Programmes

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

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

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

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

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

In 2020/2021 we worked in a number of key areas:

LCVS and the Good Neighbour Volunteer Scheme

When Liverpool Mayor Joe Anderson asked the people of Liverpool to volunteer, in order to help their neighbours get through the pandemic, thousands of people responded. The Good Neighbour Scheme, run in partnership between Liverpool City Council (LCC) and LCVS, matched volunteers with people in need who had nobody else available to help with day-to-day tasks, such as shopping for food, while they were shielding at home.

A network of over 30 voluntary sector organisations was quickly established to provide support at a community level. These locally trusted organisations (LTOs), along with volunteers contacted directly by the LCVS team, helped to provide food hampers, a weekly shop and other support to over 2,000 residents referred via the LCC helpline. Supported by LCVS, LTOs also assisted a further 3,000+ residents in their communities.

Over 400 local volunteers were mobilised by the LTOs, in addition to those on the LCC database. LCVS secured external funding from LCC, Liverpool CCG and other funders, to help fund the work and to support the voluntary sector groups delivering on the ground. The money we received helped community groups on the front line to meet the needs of the most vulnerable in our society.

While working from home during lockdown, members of the LCVS team contacted shielding residents and local volunteers by phone. Over 1,300 shielding residents were matched with volunteers available to shop for them on a weekly basis, for the duration of the shielding period (which ended 31 July 2020).

Some of these matches were made personally by our team, while others were passed as referrals to LTOs in their area, who arranged volunteers to shop for them.

Positive About Play

Positive About Play, a partnership between the VCF sector and Liverpool City Council supported by a variety of donors, provided funding to 28 play schemes. These schemes actively supported over 1,600 families by regularly providing food.

During the first eight weeks of lockdown, play schemes provided:

- 5,947 food hampers, grab and go lunches, breakfasts and food bags for families of the children and young people they would usually work with during school holiday periods
- 3,827 arts and crafts play packs to 28 groups, who then distributed them to families
- 650 additional arts and crafts packs were distributed to 13 children's centres across Liverpool

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

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

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

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

2. Services to charities and voluntary organisations

2020/2021 was another extremely busy year for the LCVS capacity building and community accountancy teams.

We have been able to continue delivering the range of support available to maximise the effectiveness and sustainability of local community organisations across a range of critical issues such as fundraising, good governance, project delivery and impact measurement. Much of this work became even more critical offering a lifeline to the sector as a whole.

101 unique organisations received capacity building support from LCVS. This figure includes:

- new organisations that were helped to establish, and to begin meeting the emerging needs in their communities
- existing organisations assisted to review or amend governance arrangements, policies and procedures and to plan short-term changes to delivery

73 unique organisations received practical funding/fundraising support, including:

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

Throughout lockdown, the LCVS team also:

- Maintained our clients' payrolls, so voluntary sector workers continued to get paid on time
- Provided IT support services, helping our tenant organisations make the transition to home working
- Provided regular, timely news and funding updates across multiple platforms
- Continued to provide community accountancy services to our clients, so that they didn't have to worry about their books on top of everything else
- Kept 151 Dale Street open and made adaptations to ensure that the building was (and remains) welcoming, as well as Covid secure for tenants and visitors

3. Services to donors

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

4. Enablers

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

We facilitate a number of networks and Communities of Practice (CoPs) that bring together groups and individuals who have a specific interest in an issue. During the year we worked with over 70 play providers across the city to ensure that children had access to food and activities during the school holidays. We also developed a CoP working with partners on Men's Suicide Prevention through a partnership with Public Health.

5. Solid foundations

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

Covid-19

We have already documented how LCVS has taken a strategic lead throughout the Covid-19 pandemic and this has strengthened our relationships with public bodies and demonstrated the importance of the VCF sector.

We have proved to be adaptable and flexible and believe this makes us stronger, more productive and more able to meet the challenges that lie ahead. We have renewed our Investors in People Status and our Workplace Wellbeing Charter status. We are a Real Living Wage Foundation employer.

Planning Ahead

The Covid-19 pandemic is still on-going. It continues to impact our lives on a daily basis and therefore LCVS continues to work with our strategic partners to adapt to the new challenges and meet the changing needs of the community.

it will undoubtedly continue to bring about new ways of working and a changing landscape in the role of voluntary sector organisations.

LCVS has reviewed its own activities and created a strategy for the future development of the organisation which will be delivered over the next 3 years. This is an ambitious plan to ensure we remain relevant, effective, and efficient to allow LCVS to continue to support the VCFS for years to come.

FINANCIAL REVIEW

During the period, the charitable group's net assets increased in value from £7,541,903 to £7,756,199 of which unrestricted funds totalled £7,776,722 (£7,482,159: 2020). This level of reserves is considered by the Trustees to be necessary to generate income, which, along with other income earned each year, enables the Charity to maintain financial independence essential for its charitable work.

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

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

Total income for the period for the charitable group was £2,834,110 compared with £2,494,171 in 2020. Expenditure totalled £2,798,426 (£2,414,144: 2020).

Prior to investment gains & losses, there was a net surplus of £35,684 (£80,027 surplus: 2020).

Reserves Policy & Investment Objective

Unrestricted Funds

The **General Fund** is the accumulated reserves of LCVS (charity). These total £1,751,060 at the year end (2020: £1,456,497). However, these include LCVS's investment in its fixed assets for own use therefore free reserves, i.e. available to be utilised in the delivery of programmes, at the year end were £437,689 (2020: £104,359) Free reserves may be required in full over the next three years to support the delivery of the strategic plan and therefore the Trustees are looking to develop further opportunities to generate surpluses. The long term objective would be to build up free reserves to a minimum of £450,000 which would represent approximately 3 months' running costs.

In addition, the trustees previously designated reserves as a '**151 Dale St Fund**' being initial funds (£6,019,538 at 31st March 2020 & 31st March 2021) used to acquire the building and is fully held in fixed assets as a Programme Related Investment; it is the intention that this will be held for this purpose in the long-term.

The Trustees have the same full and unrestricted powers of investment in all respects as if they were the beneficial owners. The charity has £1,092,769 (2020 : £914,157) invested in the Settlers' Trust Fund. The Investment Objective in this regard is to maintain liquidity and the monetary value of the fund to facilitate withdrawal. Whilst the capital sum is subject to market conditions, the performance of the Settlers Trust Fund is monitored quarterly by the Investment Committee and the Trustees are satisfied that its objectives have been achieved throughout the period.

Restricted funds of the charitable group stood at (£20,523 deficit) at the period-end (£59,744 surplus: 2020). This included a deficit balance of £70,000 (2020: £nil) on LCVS Community Impact Programme Play Partnership being funds expended on the programme prior to confirmation and receipt of funding from Liverpool City Council in April 2021. Restricted funds are funds received and expended in furtherance of LCVS's own charitable objectives but as directed by external funders. The balances comprise cash and other current balances held to support delivery of the programmes and are not intended to be held in the long term. Expenditure for specific projects can be scaled up or down in accordance with the funding available.

Settlers' Trust Fund

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

Use of assets

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

Balance sheet in light of future plans

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

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

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

RISK MANAGEMENT

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

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

- ***Property***

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

- ***Financial***

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

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

- **Operational**

LCVS is facing new challenges to deliver services and support for organisations and individuals affected by the impact of the COVID-19 pandemic. This has required the organisation to adapt current working methods and work in new areas which gives rise to operational risks. It is envisaged that further changes will be required as the external working environment evolves following measures introduced during the emphasis of self-isolation and working from home over the last 18 months.

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

- **Investments:**

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

- **Covid-19**

The Covid-19 pandemic has necessitated changed methods of working, for example with a significant number of staff working from home on a regular basis for the first time. This has required a rapid review of systems which will be further reviewed with the likelihood that this will become a more permanent situation. The pandemic has also brought to the fore the importance of the voluntary sector and hence our teams have been actively involved in supporting the sector to rise to the new challenges. Whilst some of our traditional sources of generating funds may have suffered (e.g. temporary closure of the meeting and conference rooms, face-to-face delivery of training, etc..) these now appear to be returning to pre-pandemic levels and have been supplemented by funding that has become available to meet the covid-19 response.

The trustees are aware of the particular longer term risks of lower investment returns and the potential effect on building occupancy and these have been taken into account in the development of a new 3-year strategic plan with associated financial forecasts. The plan recognises and includes investment in those areas of operation which generate additional funds.

- **Reputational Risk:**

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

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

- **Pension Fund Shortfall:**

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

Since 1st April 2013, LCVS has made additional contributions; however, there is no guarantee that the debt on withdrawal will decrease, either as a result of market conditions or the effects of 'last man standing'. LCVS provides for the present value of future minimum payments agreed with the trustees of the scheme. This has resulted in a liability of £130,579 (2020: £158,419).

- **Internet / IT Security:**

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

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

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees & Directors

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

Liverpool Charity and Voluntary Services

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2021

Members of the Board of Trustees during the year were:

<u>Chair</u>	Heather Akehurst
<u>Honorary Treasurer</u>	Michael Thomas
<u>Other Members</u>	Dorcas Akeju
	Sonia Bassey (Appointed 20 th May 2021)
	Duncan Brookes (Resigned 14 th December 2020)
	Maxine Ennis (Appointed 20 th May 2021)
	Jonathan Hesketh (Resigned 16 th November 2021)
	Michael James (Resigned 28 th April 2021)
	Steven Long (Resigned 29 th January 2021)
	Andrew Lovelady (Resigned 1 st December 2020)
	Kenneth Perry
	John Price
	Michael Salla
	Louise Scholes
	James Sloan
	Neil Sturmey (Appointed 20 th May 2021)
	Henry Terefenko (Appointed 20 th May 2021)
	Susan Williams

Other Information

Co-Chief Executives	Colin Heaney, Director of Development and Programmes & Graham Wright, Director of Finance and Resources (to 31 st August 2020)
Chief Executive	Clare White (from 1st September 2020)
Company Secretary	Graham Wright

Legal and Administrative Information (continued..)

Charity Number	223485
Company Number	181759
Principal (& Registered) Office:	151 Dale Street, Liverpool L2 2AH Telephone 0151 227 5177 E-mail info@lcvs.org.uk
Auditor:	RSM UK Audit LLP, 14 th Floor, 20 Chapel Street, Liverpool, L3 9AG
Bankers:	HSBC, City Branch, 99 -101 Lord Street, Liverpool L2 6PG The Co-Operative Bank, 1 Balloon Street, Manchester M60 4EP

Liverpool Charity and Voluntary Services

TRUSTEES' REPORT FOR THE YEAR ENDED 31ST MARCH 2021

Solicitors:	Brabners Chaffe Street, Horton House, Exchange Flags, Liverpool L2 3YL Hill Dickinson LLP, No.1 St Paul's Square, Liverpool L3 9SJ
Investment Managers:	Rathbones Investment Management, Port of Liverpool Building, Pier Head, Liverpool L3 1NW Investec Wealth & Investment, 100 Old Hall Street, Liverpool L3 9AB

Pay Policy for Senior Staff

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

DISCLOSURE OF INFORMATION TO AUDITOR

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

AUDITOR

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

SMALL COMPANY PROVISIONS

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

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- 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 that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the board of trustees,



Heather Akehurst, Chair

Date: 23rd November 2021

INDEPENDENT AUDITOR'S REPORT

to the members of Liverpool Charity and Voluntary Services Group

Opinion

We have audited the financial statements of Liverpool Charity and Voluntary Services (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31st March 2021 which comprise the Consolidated Statement of Financial Activities (including Consolidated Income and Expenditure Account), the Consolidated and Charity Balance Sheets, the Consolidated 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, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31st March 2021 and of the group's 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 and the Charities Act 2011.

Basis for opinion

We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent 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 group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

INDEPENDENT AUDITOR'S REPORT

to the members of Liverpool Charity and Voluntary Services Group

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Trustees' Report.

INDEPENDENT AUDITOR'S REPORT

to the members of Liverpool Charity and Voluntary Services Group

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities set out on page 15 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 group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

INDEPENDENT AUDITOR'S REPORT

to the members of Liverpool Charity and Voluntary Services Group

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the sector, including the legal and regulatory frameworks that the group and parent charitable company operate in and how the group and parent charitable company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, Charities SORP (FRS 102), Companies Act 2006, Charities Act 2011, the parent charitable company's governing document, tax legislation and Charities (Protection and Social Investment) Act 2016. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing the financial statements including the Trustees' Report, and remaining alert to new or unusual transactions which may not be in accordance with the governing documents.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to General Data Protection Regulation. We performed audit procedures to inquire of management whether the group is in compliance with these laws and regulations.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments, evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and challenging judgments and estimates.

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

INDEPENDENT AUDITOR'S REPORT

to the members of Liverpool Charity and Voluntary Services Group

Use of our report

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

Anna Spencer-Gray

Anna Spencer-Gray (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
14th Floor, 20 Chapel Street
Liverpool
L3 9AG

Date 24/11/21

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31ST MARCH 2021 (including Consolidated Income and Expenditure Account)

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
INCOME FROM:					
Donations and legacies	5	23,578	-	23,578	17,348
Charitable activities	6	1,983,680	802,865	2,786,545	2,440,432
Investment income	7	23,986	1	23,987	36,391
Total income		2,031,244	802,866	2,834,110	2,494,171
EXPENDITURE ON:					
Charitable activities	8-10	1,896,113	902,313	2,798,426	2,414,144
Total expenditure		1,896,113	902,313	2,798,426	2,414,144
Net income before gains and losses		135,131	(99,447)	35,684	80,027
Net gains / (losses) on investments	16	178,612	-	178,612	(132,602)
Net income / (expenditure)		313,743	(99,447)	214,296	(52,575)
Transfers between funds	22-23	(19,180)	19,180	-	-
Net movement in funds		294,563	(80,267)	214,296	(52,575)
Reconciliation of funds					
Fund balances brought forward		7,482,159	59,744	7,541,903	7,594,478
Fund balances carried forward	21-23	7,776,722	(20,523)	7,756,199	7,541,903

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

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2021

	Notes	At 31 st March 2021 £	At 31 st March 2020 £
Fixed assets			
Programme Related Investments	11	7,618,783	7,618,783
Tangible fixed assets	12	1,303,635	1,339,156
Intangible fixed assets	13	9,736	12,982
		-----	-----
		8,932,154	8,970,921
Current assets			
Debtors	15	771,263	731,678
Current Asset Investments	16	1,092,769	914,157
Cash at bank and in hand		1,160,334	1,152,821
		-----	-----
		3,024,366	2,798,656
Current liabilities			
Creditors falling due within one year	17	(3,368,869)	(3,262,818)
		-----	-----
Net current liabilities		(344,503)	(464,162)
		-----	-----
Total assets less current liabilities		8,587,651	8,506,759
Creditors falling due after more than one year	19	(700,873)	(806,437)
Provisions for liabilities	25	(130,579)	(158,419)
		-----	-----
Net Assets	21	7,756,199	7,541,903
		=====	=====
Funds:			
Unrestricted funds	21,22	7,776,722	7,482,159
Restricted funds	21,23	(20,523)	59,744
		-----	-----
Total Consolidated Funds		7,756,199	7,541,903
		=====	=====

The notes on pages 25 to 51 form part of these accounts. These financial statements were approved by the trustees and authorised for issue on the 23rd November 2021 and are signed on their behalf by:

HMP Akehurst

Michael Thomas

Heather Akehurst

Chairman

Michael Thomas

Honorary Treasurer

Date : 23 November 2021

CHARITY BALANCE SHEET AS AT 31ST MARCH 2021

	Notes	At 31 st March 2021 £	At 31 st March 2020 £
Fixed assets			
Programme Related Investments	11	7,618,783	7,618,783
Tangible fixed assets	12	1,303,635	1,339,156
Intangible fixed assets	13	9,736	12,982
		-----	-----
		8,932,154	8,970,921
Current assets			
Debtors	15	771,271	731,688
Current Asset Investments	16	1,092,769	914,157
Cash at bank and in hand		1,149,833	1,146,824
		-----	-----
		3,013,873	2,792,669
Current liabilities			
Creditors falling due within one year	17	(3,364,500)	(3,262,955)
		-----	-----
Net current liabilities		(350,627)	(470,286)
		-----	-----
Total assets less current liabilities		8,581,527	8,500,635
Creditors falling due after more than one year	19	(700,873)	(806,437)
Provisions for liabilities	25	(130,579)	(158,419)
		-----	-----
Net Assets	21	7,750,075	7,535,779
		=====	=====
Funds:			
Unrestricted funds	21,22	7,770,598	7,476,035
Restricted funds	21,23	(20,523)	59,744
		-----	-----
Total Charity Funds		7,750,075	7,535,779
		=====	=====

The charity has taken advantage of the exemption permitted by s408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities and related notes. The company's result for the period was a surplus of £214,296 (2020: deficit of £52,575). The notes on pages 25 to 52 form part of these accounts. The trustees have prepared Group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These financial statements were approved by the trustees and authorised for issue on the 23rd November 2021 and are signed on their behalf by:

Heather Akehurst Chairman

Michael Thomas Honorary Treasurer

HMP Akehurst

Michael Thomas

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2021

	Notes	Year ended 31 st March 2021		Year ended 31 st March 2020	
		£	£	£	£
Operating activities					
Cash generated from operations	32		131,997		189,651
Interest paid		(17,265)		(21,323)	
Net cash from operations			114,732		168,328
Investing activities					
Purchase of tangible fixed assets		(1,655)		(-)	
Purchase of intangible fixed assets		(-)		(12,061)	
PRI Expenditure - additions		(-)		(81,231)	
Net cash used in investing activities			(1,655)		(93,292)
Financing activities					
Repayments of borrowings		(105,564)		(97,595)	
Cash balances relating to Trust and Distribution Funds held by LCVS		-		2,453,000	
Net cash (used in) / generated from financing activities			(105,564)		2,355,405
Net increase in cash and cash equivalents			7,513		2,430,441
Cash and cash equivalents at beginning of the year			1,152,821		(1,277,620)
Cash and cash equivalents at end of the year			1,160,334		1,152,821
Represented by:			31 March 2021		31 March 2020
			£		£
Cash at bank and in hand			1,160,334		1,152,821

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

1. Limited Liability

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

2. Accounting Policies

Basis of Accounting

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard in the UK and Republic of Ireland – Charities SORP (FRS102) – second edition October 2019 and the Companies Act 2006.

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

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

Reduced disclosures

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

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

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

Going Concern

The Trustees acknowledge that the unprecedented level of uncertainty caused by Covid-19 and rapidly changing circumstances mean that the judgements and estimates required by management continue to be more challenging than under normal circumstances.

As set out in the Trustees' Report, the Trustees have given due regard to the increased pressure on income streams brought about by the pandemic and have concluded that the positive level of general reserves, utilisation of available cash balances and additional funding received to deliver covid-19 response activities mean that the going concern basis remains appropriate for the preparation of these financial statements.

In particular, as an infrastructure organisation, LCVS has accessed a number of grants to support both its own operational activities and to provide ongoing support to other voluntary sector organisations, particularly those who have continued to provide specific support services throughout the current pandemic. LCVS has been at the forefront of Liverpool City Council's initiative to support volunteers meeting the needs of vulnerable and shielded persons and has received funding to support its staff involved in this work.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

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

Initial forecasts prepared at the start of the year show significant deficits since, at this stage, many sources of potential income cannot be recognised with a degree of certainty. However, the trustees are committed to ensuring that for each of the years 2021/2022 and 2022/2023 the organisation achieves at least break-even both in terms of reserves and cash generation prior to the planned investment in service development. Management results are reviewed on a quarterly basis to ensure that the organisation is working to achieve this goal in each financial year.

There is currently a net current liabilities position of £344,503 (2020: £464,162) which has arisen primarily as a result of capital expenditure which has been met out of working capital, utilising cash balances on Trust and Distribution ledger accounts. Whilst recognised as a short term measure, these balances are partly offset by LCVS's own cash held in its bank current accounts and invested in the Settlers' Trust Fund. The trustees recognise the uncertainty of specific funding sources but also the strength of the organisation's income diversity and continual success in developing new initiatives to further strengthen this position.

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

Consolidation

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

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

All financial statements are made up to 31st March except for United Trusts and UW Giving, whose financial year ends on 4th April 2020. No significant transactions or events occurred in the period between 31st March and 4th April 2020.

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Income

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

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

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

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

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

Government Grants

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

Expenditure

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

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

Grants Payable

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

Pension Costs

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

Taxation

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Programme Related Investments

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

Investments

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

Tangible Fixed Assets

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

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

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

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

Intangible Fixed Assets

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

Cash at bank and in hand

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Financial Instruments

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

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

Basic financial assets

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

Basic financial liabilities

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

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

Funds Structure

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

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

Employee Costs

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

3. Key estimates and judgements

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

Critical accounting estimates and assumptions

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

Key sources of estimation uncertainty

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

Useful life of fixed assets

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

Discount rate – pension commitments

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

Critical areas of judgement

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

Valuation of programme related investments –

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

4. Subsidiaries

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

United Trusts was dormant throughout the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

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

Below is a summary of results for the subsidiaries:

	U W Giving		United Trusts	
	2021 £	2020 £	2021 £	2020 £
Total Incoming Resources	119,199	119,070	-	-
Total Resources Expended	(119,199)	(119,070)	-	-
	-----	-----	-----	-----
Total funds brought forward	6,124	6,124	-	-
	-----	-----	-----	-----
Total funds carried forward	6,124	6,124	-	-
	=====	=====	=====	=====
Represented by:				
Debtors	6,124	6,124	-	-
Cash at bank	2,233	2,374	8,268	3,623
Creditors : amounts falling due within 1 year	(2,233)	(2,374)	(8,268)	(3,623)
	-----	-----	-----	-----
Total funds carried forward	6,124	6,124	-	-
	=====	=====	=====	=====

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

5. Income from Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Donations & sundry grants	23,578	-	23,578	17,348
Legacies	-	-	-	-
	-----	-----	-----	-----
	23,578	-	23,578	17,348,
	=====	=====	=====	=====

The income from donations and legacies in 2020 was all included within unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

6. Income from Charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Programmes	7,028	440,239	447,267	1,023,070
Services to Charities and Voluntary Organisations	918,420	49,457	967,877	1,018,650
Services to Donors	105,756	-	105,756	134,799
Enablers	4,051	313,169	317,220	225,326
Strong Foundations	948,425	-	948,425	38,587
	1,983,680	802,865	2,786,545	2,440,432

The income from charitable activities in 2020 was £2,440,432 of which £1,365,763 was unrestricted and £1,074,669 was restricted funds.

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

- £39,457 (2020: £45,675) Community Resource Grant received from Liverpool City Council to fund infrastructure support by LCVS and other infrastructure delivery agencies, Liverpool Network for Change and Merseyside Employment Law.
- £10,000 (2020: £6,000) from Liverpool City Council to fund support for organisations working with young people.
- £190,000 (2020: £173,000) funding from Liverpool City Council for organisations delivering activities as part of the LCVS Community Impact Programme, The Play Partnership.
- £13,000 (2020: £7,875) in various grants applied for by the MyClubMoor committee from Liverpool City Council to undertake specific projects.
- £25,000 (2020: £nil) funding from Liverpool City Council to support the establishment of a new project to tackle food insecurity
- £584,043 (2020: £nil) from Liverpool City Council to support LCVS Covid-19 response costs and support for the voluntary sector

7. Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Interest on Cash Balances	1	1	2	3,702
Income from Settlers Trust Fund	23,985	-	23,985	32,689
	23,986	1	23,987	36,391

The investment income in 2020 was £36,391 of which £36,390 was unrestricted and £1 was restricted funds.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

8. Expenditure on Charitable activities

	Activities undertaken directly	Grant funding of activities	Allocation Of Core Costs	2021 TOTAL	2020 TOTAL
	£	£	£	£	£
Programmes	653,607	738,301	-	1,391,908	1,025,344
Services to Charities and Voluntary Organisations	714,774	-	-	714,774	824,641
Services to Donors	76,917	-	-	76,917	89,757
Enablers	118,347	-	-	118,347	107,032
Strong Foundations	-	-	496,480	496,480	367,370
Total Costs	1,563,645	738,301	496,480	2,798,426	2,414,144

The expenditure on charitable activities was £2,798,426 (2020: £2,414,144) of which £1,896,113 (2020: £1,389,000) was unrestricted and £902,313 (2020: £1,025,144) was restricted funds.

Included within Expenditure on Charitable Activities (Services to Charities and Voluntary Organisations) is an amount of £17,265 (2020: £21,323) relating to interest on the bank loan.

Grant funding of activities:	2021 TOTAL	2020 TOTAL
	£	£
Liverpool & Merseyside Charities Funds	10,000	10,000
Play Partnership	260,000	243,318
Prescribing	-	19,320
Violence Reduction Unit	285,169	482,910
Ways to Wellbeing	3,000	-
Pen Natal Grants	19,180	-
Wirral Council MAMHS	41,753	-
UW Giving – distributed by Charities Aid Foundation in accordance with individual donors' direct instructions	119,199	119,070
Group Total	738,301	874,618

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

Play Partnership	Merseyside Play Action Council (5 grants)	£260,000
Violence Reduction Unit	One Knowsley	£41,026
	Halton & St Helens VCA	£28,125
	Community Action Wirral	£79,277
	Sefton CVS	£30,623
	Liverpool Homeless Football Club	£11,470

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

	YogaNation Well Being Hub CIC	£11,250
	26 grants under £10,000	
Peri Natal Grants	Singing Mama's Choir	£5,000
	Sanctuary family Support	£5,194
	The Brain Charity	£4,986
	WHISC	£4,000
Wirral Council MAMHS	10 grants under £5,000	

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

Governance costs comprise:

	2021	2020
	£	£
Core costs	62,957	21,291
Audit	35,814	27,084
	-----	-----
TOTAL GOVERNANCE COSTS	98,771	48,375
	=====	=====

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

Allocation of Core Costs

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

	2021	2020
	£	£
Core Salaries	187,014	98,162
Unwinding of Pension Fund Commitment	32,986	32,026
Property Costs	99,186	102,492
Marketing	900	2,284
IT Provision	7,814	15,838
Audit	35,814	27,084
Administration	38,590	48,260
Provision for Doubtful Debts	53,754	-
Depreciation	37,176	36,897
Amortisation	3,246	4,327
	-----	-----
TOTAL CORE COSTS	496,480	367,370
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

9. Net Expenditure for the Year

	2021 £	2020 £
This is stated after charging :		
a. Depreciation	37,176	36,897
Amortisation	3,246	4,327
	=====	=====
b. Auditor's remuneration		
- audit	35,814	27,084
- other services	-	-
	-----	-----
	35,814	27,084
	=====	=====
c. Operating lease costs	2,025	1,638
	=====	=====

10. Staff Costs and Numbers – Group & Charity

	2021 £	2020 £
Staff costs were as follows:		
salaries	609,327	575,973
social security	50,090	44,180
pension costs	60,599	58,379
	-----	-----
	720,016	678,532
	=====	=====

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

	2021 Number	2020 Number
Direct charitable activities	14	16
Management and administration	12	11
	-----	-----
	26	27
	===	===

No employee received emoluments of more than £60,000 during the year (2019: none).

The Trustees, being also the Directors of the company, are not remunerated for their services. No trustees have claimed expenses (2019: £nil); trustees are not included in the above number of employees.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

11. Programme Related Investments – Group & Charity

	2021	2020
<i>Property Investment:</i>	£	£
Cost at beginning of the year	7,618,783	7,537,552
Additions during the year	-	81,231
	-----	-----
Cost at end of the year	7,618,783	7,618,783
	=====	=====

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

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

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

The Programme Related Investment is reviewed annually for any indications of impairment. A decision has been made not to impair the property since it is still being used for the purpose for which it was acquired and developed, and this is not expected to change going forward.

The property is integral to the charity meeting its objectives and is therefore classified as a Programme Related Investment. The property is included in these accounts at historic cost.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

12. Tangible Fixed Assets - Group & Charity

	Freehold Land & Buildings £	Computer & Other Equipment £	Total £
Cost			
Balance at 1 st April 2020	1,710,978	229,675	1,940,653
Additions during the year	-	1,655	1,655
	-----	-----	-----
Balance at 31 st March 2021	1,710,978	231,330	1,940,308
	-----	-----	-----
Depreciation and impairment			
Balance at 1 st April 2020	375,762	225,735	601,497
Charge for the year	34,220	2,956	37,176
	-----	-----	-----
Balance at 31 st March 2021	409,982	228,691	638,673
	-----	-----	-----
Carrying amount at 31st March 2021	1,300,996	2,639	1,303,635
	=====	=====	=====
Carrying amount at 31st March 2020	1,335,216	3,940	1,339,156
	=====	=====	=====

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

13. Intangible Fixed Assets - Group & Charity

	Computer Software £	Total £
Cost		
Balance at 1 st April 2020	22,477	22,477
Additions during the period	-	-
	-----	-----
Balance at 31 st March 2021	22,477	22,477
	-----	-----
Amortisation and impairment		
Balance at 1 st April 2020	9,495	9,495
Charge for the period	3,246	3,246
	-----	-----
Balance at 31 st March 2021	12,741	12,741
	-----	-----
Carrying amount at 31st March 2021	9,736	9,736
	=====	=====
Carrying amount at 31st March 2020	12,982	12,982
	=====	=====

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

14. Distribution Funds – Group & Charity

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

	2021	2020
	£	£
Funds held at the end of the year	820,126	491,687
	=====	=====
<i>Represented by:</i>		
Cash balances held by LCVS	452,000	452,000
Bank balance	356,615	25,300
Other Debtors	11,511	14,387
	-----	-----
	820,126	491,687
	=====	=====

15. Debtors

	2021		2020	
	Group	Charity	Group	Charity
	£	£	£	£
Trade debtors	91,941	91,941	154,600	154,600
Prepayments and accrued income	269,719	269,719	318,866	318,866
Other debtors	409,603	409,603	258,212	258,212
United Trusts Intercompany Account	-	8	-	10
	-----	-----	-----	-----
	771,263	771,271	731,678	731,688
	=====	=====	=====	=====

Trade debtors are stated net of a provision for doubtful debts of £83,392 (2020: £29,638).

16. Current Asset Investments – Group & Charity

	2021	2020
	£	£
<i>Quoted Investments:</i>		
Carrying amount as at 1 st April 2020	914,157	1,046,759
Additions during the period	-	-
Net unrealised/realised gains / (losses) on investment assets	178,612	(132,602)
	-----	-----
Carrying amount as at 31st March 2021	1,092,769	914,157
	=====	=====
Historic cost at 31st March 2021	969,666	969,666
	=====	=====
<i>At market value:</i>		
Share of Settlers' Trust Fund (see note 26)	1,092,769	914,157
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

17. Creditors falling due within one year

	2021		2020	
	Group	Charity	Group	Charity
	£	£	£	£
Bank Loan	100,000	100,000	100,000	100,000
Trade Creditors	2,604	2,604	3,894	3,894
Accruals and deferred income	774,733	774,733	682,170	682,170
Tax and social security costs	15,001	15,001	11,270	11,270
Other creditors	2,476,531	2,466,038	2,465,484	2,459,497
Intercompany Accounts	-	6,124	-	6,124
	3,368,869	3,364,500	3,262,818	3,262,955
	=====	=====	=====	=====

Amounts due to Trust and Distribution funds held by LCVS for distribution are included in Other creditors £2,453,000 (2020: £2,453,000) and accruals £263,342 (2020: £263,342).

18. Deferred income – Group & Charity

	2021	2020
	£	£
Balance at beginning of period	-	-
Additional amounts deferred	-	-
Release of deferred income	(-)	(-)
	-----	-----
Balance at end of period	-	-
	=====	=====

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

	2021	2020
	£	£
Bank loan	700,873	806,437
	-----	-----
	700,873	806,437
	=====	=====

A loan facility of £1.7 million was arranged with The Co-operative Bank plc to assist in the acquisition and refurbishment of 151 Dale Street. This has been fully drawn down and capital repayments commenced in the 2012 year end. Interest is calculated at The Co-operative Bank plc Base Rate plus 1.5%. The security for this loan is a first legal charge over the premises, 151 Dale Street, Liverpool.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Analysis of debt maturity:

	2021	2020
	£	£
Amounts payable :		
In one year or less or on demand	100,000	100,000
In more than one year but not more than two years	100,000	100,000
In more than two years but not more than five years	300,000	300,000
In five years or more	300,873	406,437
	-----	-----
	800,873	906,437
	=====	=====

20. Financial instruments – Group

	2021	2020
	£	£
Financial assets measured at amortised cost	538,653	417,405
Equity instruments measured at fair value through income and expenditure	1,092,769	914,157
	-----	-----
	1,631,422	1,331,562
	=====	=====

	2021	2020
	£	£
Financial liabilities measured at amortised cost	4,054,741	4,057,985
	-----	-----
	4,054,741	4,057,985
	=====	=====

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

21. Analysis of Net Assets between Funds

2021

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

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

2020

	Programme related investments	Fixed assets	Net current liabilities	Long term liabilities	Provisions	TOTAL
Charity						
Unrestricted Funds	£	£	£	£	£	£
General Fund	1,599,245	1,352,138	(530,030)	(806,437)	(158,419)	1,456,497
151 Dale Street Fund	6,019,538	-	-	-	-	6,019,538
	7,618,783	1,352,138	(530,030)	(806,437)	(158,419)	7,476,035
Restricted Funds						
Wirral Council	-	-	41,800	-	-	41,800
MAMHS	-	-	17,944	-	-	17,944
MyClubMoor	-	-	59,744	-	-	59,744
Charity Total	7,618,783	1,352,138	(470,286)	(806,437)	(158,419)	7,535,779
UW Giving - Unrestricted	-	-	6,124	-	-	6,124
Group Total	7,618,783	1,352,138	(464,162)	(806,437)	(158,419)	7,541,903
Group Unrestricted	7,618,783	1,352,138	(523,906)	(806,437)	(158,419)	7,482,159
Group Restricted	-	-	59,744	-	-	59,744
	7,618,783	1,352,138	(464,162)	(806,437)	(158,419)	7,541,903

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

22. Unrestricted Funds – Group & Charity

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

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

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

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

2020	<u>Movements in the year</u>					Resources at end of year £
	Resources at beginning of year £	Income £	Expenditure £	Transfers £	(Losses) on Investment Assets £	
General Fund	1,568,816	1,419,501	(1,389,000)	(10,218)	(132,602)	1,456,497
151 Dale Street Fund	6,019,538	-	-	-	-	6,019,538
Charity Totals	7,588,354	1,419,501	(1,389,000)	(10,218)	(132,602)	7,476,035
UW Giving	6,124	-	-	-	-	6,124
Total Funds	7,594,478	1,419,501	(1,389,000)	(10,218)	(132,602)	7,482,159

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

23. Restricted Funds – Group & Charity

2021

Movements in the year

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

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

2020

Movements in the year

	Resources at beginning of year £	Income £	Expenditure £	Transfers £	(Losses) on Investment Assets £	Resources at end of year £
Liverpool City Council CRG	-	45,675	(45,675)	-	-	-
Liverpool City Council Youth Funding	-	6,000	(6,000)	-	-	-
LCVS Community Impact Programme:						
- Play Partnership	-	233,100	(243,318)	10,218	-	-
Prescribing	-	19,320	(19,320)	-	-	-
Violence Reduction Unit	-	482,910	(482,910)	-	-	-
Wirral Council MAMHS	-	41,800	(-)	-	-	41,800
MyClubMoor	-	126,795	(108,851)			17,944
Charity Totals	-	955,600	(906,074)	10,218	-	59,744
UW Giving distributions	-	119,070	(119,070)	-	-	-
Total Funds	-	1,074,670	(1,025,144)	10,218	-	59,744

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

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

Description of Funds

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

a. Liverpool City Council CRG

Funding is received from Liverpool City Council Community Resources Grants team towards the costs of providing capacity building services to Liverpool organisations. Funding for the year was £45,675 (2019: £55,000) which has been fully spent.

b. Liverpool City Council Youth Funding

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

c. LCVS Community Impact Programmes

Programmes to tackle specific areas of local need. Income has been received by way of donations to our reading projects which have supported reading groups pre-school and within schools. In addition we received significant grants to fund and take the lead role in facilitating The Play Partnership, providing essential support to playschemes throughout the City. At 31 March 2021 Play Partnership funds were in deficit by £70,000 (2020: £nil) due to grant funding expended prior to confirmation and receipt of funding from Liverpool City Council in April 2021.

d. Prescribing

Funding received to support LCVS's lead role in social prescribing programme.

f. Ways to Wellbeing

Small grants programme administered on behalf of Citizens Advice Bureau

g. Violence Reduction Unit

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

h. Feeding Liverpool

Funds managed on behalf of a newly established project to tackle food insecurity in Liverpool.

i. Peri Natal Grants

Distribution of funding on behalf of a third party.

j. Wirral Council MAMHS

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

k. MyClubMoor

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

I. UW Giving distributions

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

24. Guarantees and Other Financial Commitments

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

	2021 £	2020 £
Total future minimum lease payments :		
Not later than one year	1,503	1,912
Later than one year and not later than five years	-	1,503
	----- 1,503 =====	----- 3,415 =====

At 31st March 2020, LCVS was a member of United Trusts and U W Giving. These are companies limited by guarantee and therefore, in the event of insolvent winding up, LCVS would be required to make a nominal guarantee payment in respect of each. The maximum liability would be £2.

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

LCVS participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

A full actuarial valuation for the scheme was carried out at 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2019 to 31 January 2025:	£11,243,000 per annum	(payable monthly and increasing by 3% each on 1st April)
--	------------------------------	---

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

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2014. This valuation showed assets of £793.4m, liabilities of £969.9m and a deficit of £176.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum	(payable monthly and increasing by 3% each on 1st April)
--	------------------------------	---

From 1 April 2016 to 30 September 2028:	£54,560 per annum	(payable monthly and increasing by 3% each on 1st April)
--	--------------------------	---

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

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

Present Values of Provision

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

Unwinding of the discount factor (interest expense)	3,811	4,321
Deficit contribution paid	(32,986)	(32,026)
Remeasurements - impact of any change in assumptions	1,335	(589)
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	130,579	158,419

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

INCOME AND EXPENDITURE IMPACT

Remeasurements – impact of any change in assumptions	1,335	(589)
Remeasurements – amendments to the contribution schedule	-	-
Contributions paid in respect of future service*	*	*
Costs recognised in income and expenditure account	*	*

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

ASSUMPTIONS

	31 March 2021 % per annum	31 March 2020 % per annum	31 March 2019 % per annum
Rate of discount	2.15	2.71	2.55

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

Deficit Contributions Schedule

Year ending	31 March 2021 (£s)	31 March 2020 (£s)	31 March 2019 (£s)
Year 1	33,976	32,986	32,026
Year 2	34,995	33,976	32,986
Year 3	36,045	34,995	33,976
Year 4	30,939	36,045	34,995
Year 5	-	30,939	36,045
Year 6	-	-	30,939

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

26. Pooling Scheme Funds

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

At 31st March 2021 the assets of the Settlers' Trust Fund had a total market value of £31,069,480 (£25,567,981 at 31st March 2020) of which £1,092,769 (£914,157 at 31st March 2020) is an asset of the Charity. Total income earned on the assets of the Settlers' Trust Fund was £676,814 for the year ended 31st March 2021 (£853,632 for the year ended 31st March 2020) of which the Charity's income was £25,573 (£32,689 for the year ended 31st March 2020).

27. Personal Charitable Trusts

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

N.L. Arthurson Fund
John Behrend Fund
Richard Behrend Charitable Trust
Edward Bibby Fund
J.B. Bibby Fund
Leslie Bibby Fund
The Peter Bibby Charitable Trust
Susan Bibby Fund
Henry Birch Fund
Mrs. R.J. Bradley's Charity
Derek & Chris Bunting Foundation
Mrs. M.J. Cunnah's Charity
Dove Charitable Trust
William Edmonds Fund
Emerald Charitable Trust
Fellowship Farm Guest House Trust
David Fryer Charitable Trust
Fulton Charitable Trust
The Kelly and Bernard Gadney Fund
A.L. Grant 1st Charitable (Fund)
Harding Charitable Trust
Miss A.M. Harding Charity
M.E. Hawkes Charitable Trust
R.G. Hetherington Fund
Hobhouse Fund
Harvey Hughes Jones Fund
Brian James Fund
B.R. Jardine Charitable Trust
Andrew Jones Charitable Trust
Neil Jones Charitable Trust
Penelope Jones Charitable Trust
Mrs F.M Kaye-Krzeczkowski Charitable Trust

Kitchen Table Charities Trust
Mrs. E.C. Lanceley's Charity
Macamish Trust
The Claire McKeever Trust
Margaret E. Moss Fund
Adam C.I. Naylor Charitable Trust
R.Christopher Naylor (Harriet) Fund
R. Christopher Naylor (Thomas) Fund
T.P. Naylor Trust
Helen Nilsen Fund
John & Shenagh Norman Charitable Trust
Nutmeg Charitable Trust
Sir Harry Pilkington Fund
Pilkington Jones Charitable Trust Fund
H.J Rawlings Trust
M.J. Ridges Charitable Trust
Sansaw and Hardwicke Charitable Fund
Sheba Charitable Trust
Sharples Charitable Trust
Shone No. 2 Charitable Trust
Standfield Charitable Trust
The Stoddart Charitable Trust
Surrey Square Charitable Trust
Sutcliffe Family Charitable Trust
The Tavener Charitable Trust
Cecil Taylor Family Charitable Trust
Caroline Tod Charitable Trust
Topaz Charitable Trust
Trefula Trust Fund
Whinlatter Fund
Whitlock Blundell Charitable Trust

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

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

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

The Anber Fund

The Amelia Chadwick Trust

Sir Andrew Martin Trust for Young People

The Rushworth Trust

The J A Shone Memorial Trust

The David and Ruth Behrend Fund

The David Lewis Association

The Mushroom Fund

The Selwyn Lloyd Charitable Trust

The T.I.F Tod Charitable Trust

29. Other Funds

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

Aged Women's Pension Charity

Robert Davies Trust

Liverpool Dispensaries Fund

Robert Orr Crichton Memorial Fund

Liverpool Auxiliary Pension Fund

30. Related Parties

The remuneration paid to the senior management team, who are considered to be the key management personnel for the group was £133,379 (2020: £149,475).

LCVS is a corporate trustee of the charitable trusts listed in notes 27 to 29 and provides administration services on an arms-length basis to these trusts. At 31st March 2021, LCVS held £2,001,000 (2020: £2,001,000) as an other creditor on the balance sheet representing undistributed income on these trusts. The nature of LCVS's activities is such that it undertakes many operational activities, e.g. room hire, training courses, memberships, etc. with other local charity and voluntary organisations, with which it is possible that some LCVS trustees have connections. However, such connections have no effect on these transactions and the relationship with any LCVS trustee is unlikely to be known to either party involved in arranging such transactions.

There is a balance owing from United Trusts of £8 (2020: £10) and an amount owing to UW Giving of £6,124 (2019: £6,124); both entities are subsidiaries of LCVS. During the year an amount of £33,291 (2020: £34,091) was distributed by UW Giving carrying with it the restrictions placed on it by the original donor; LCVS will distribute the funds at a later date in accordance with the donor's wishes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

31. Custodian Trusteeship

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

Investments:

T.I.F Tod Charitable Trust

Land & Buildings:

Organisation

Ironbridge Youth Centre

RSPCA

Wallasey Age Concern

Asset

127 Beresford Rd, Liverpool 8

Cross Lane, Wallasey

55 & 57 Seabank Road, Wallasey

32. Reconciliation from net income to cash from operations

	Group	
	2021	2020
	£	£
Net income / (expenditure)	214,296	(52,575)
Adjustments for:		
Finance costs recognised in profit or loss	17,265	21,323
(Gain / Loss on investment assets	(178,612)	132,602
Depreciation of tangible fixed assets	37,176	36,897
Amortisation of intangible fixed assets	3,246	4,327
(Decrease)in provisions	(27,840)	(28,581)
Operating cash flows before movements in working capital	65,531	113,993
(Increase) / Decrease in trade and other debtors	(39,585)	77,878
Increase / (Decrease) in trade and other creditors	106,051	(2,220)
Movement in working capital	66,466	75,658
Cash generated from operations	131,997	189,651

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2021

Reconciliation of net debt

	Balances at 1st April 2020 £	Cashflows £	Balances at 31st March 2021 £
Cash at bank and in hand	1,152,821	7,513	1,160,334
Loans falling due within one year	(100,000)	-	(100,000)
Loans falling due after more than one year	(806,437)	105,564	(700,873)
	-----	-----	-----
TOTAL	246,384	113,077	359,461
	=====	=====	=====

AFFILIATED ORGANISATIONS

At 01 October 2021

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

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