

Company number: 2288239  
Registered charity number: 700910

**WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL**  
**(Limited by Guarantee)**

**Report of the Board of Trustees and Financial Statements**

**Year ended 31 March 2020**

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**WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL**  
**Legal and Administrative Information**

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**2019-20**

**Charity Name**

Wolverhampton Voluntary Sector Council (WVSC)

**Board of Trustees**

Steve Clay (Chair)  
Janet Clarke Lewis  
Pamela Cole-Hudson  
James Fox  
Anne Marie Harrison  
Mike Hastings  
Rebecca Ann Barnsley  
Ann Biddle  
Patricia Mary Kemp  
Sarah Deeming

**Secretary and registered office**

Ian Darch, 16 Temple Street, Wolverhampton, WV2 4AN

**Key Management**

Ian Darch, Chief Executive  
Saffi Price, Deputy Chief Executive  
Lynn Wetherill, Finance Manager

**Company Number**

2288239

**Registered Charity Number**

700910

**Auditors**

Muras Baker Jones Limited,  
Regent House, Bath Avenue, Wolverhampton, WV1 4EG

## **Financial Statements**

### **Trustees' responsibilities in relation to the financial statements.**

The Trustees, who are also Directors of Wolverhampton Voluntary Sector Council ("WVSC") for the purposes of company law, are responsible for preparing the Trustees' Annual Report and the Financial Statements. The financial statements comply with the Companies Act 2006, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102) published on 16 July 2014 (as amended by Update Bulletin 1 published on 2 February 2016).

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 Wolverhampton Voluntary Sector Council and of the incoming resources and application of resources, including the income and expenditure of the charitable company for the year.

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 judgements and estimates that are reasonable and prudent; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that WVSC will continue in operation.

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

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

## **Structure, Governance and Management**

### **Administrative Details**

The day-to-day management of WVSC is ultimately the responsibility of the Chief Executive on behalf of the Trustees. The Chief Executive is also responsible, with the Board of Trustees, for the strategic direction of the organisation and delivery of its objectives.

Much of the day-to-day management is delegated to the Deputy Chief Executive who is currently supported by a part time Operations Manager, part time HR administrator and a receptionist. A Finance Manager (25 hours pw) is supported by a Finance Officer (30 hours pw) and has overall responsibility to the CEO for finance systems and processes. A robust financial delegation system is in place with each project lead having day to day responsibility for their own budgets.

### **Governing Document**

WVSC is a charitable company limited by guarantee, incorporated on 19th August 1988 and registered as a Charity on 24th November 1988. The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being "wound up" members are each required to contribute an amount not exceeding £1.

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### **Trustees' Annual Report for the year ended 31 March 2020**

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The Articles of association were reviewed and changes agreed at the 2018 AGM. These changes were a response to difficulties in achieving quorums at some meetings thus hindering effective and prompt decision making. In essence the changes reduce the size of the Board and quoracy requirements, while also ensuring effective governance and board oversight.

#### **Recruitment and Appointment of Board of Trustees**

Although WVSC is a small to medium sized organisation, it is a complex one operating in what is an increasingly challenging environment. It is therefore important that the skills and competencies of the trustee body are at a high level. WVSC is also involved in a very diverse range of activities as outlined later in this report and therefore the trustee body needs to demonstrate a broad as well as a high level of skills in carrying out its governance role.

The changes agreed at the 2018 AGM maintains a Board structure which reflects our customers and the environment in which we operate. The current Board make up and quoracy requirements as outlined in the Articles of Association are as follows:

The minimum number of directors shall be 6 and the maximum number of directors shall be 12. This Board of Directors will be made up of:

- a) A minimum of 4 and a maximum of 6 Voluntary and Community Organisations operating in Wolverhampton who are members of Wolverhampton Voluntary Sector Council.
- b) Individuals, who can be invited to join the Board for their expertise including as "experts by experience"
- c) A minimum of 2 and a maximum of 3 other partners from the private sector, education sector, and public sector. These directors may not be eligible to be members of Wolverhampton Voluntary Sector Council but they must support our objects.
- d) The City Council has observer status on the board and may invite any person to attend the charity's meetings (both directors and general meetings) as an observer without the power to vote. This observer will not be counted in the quorum.

The quorum shall be 3 or such larger number as may be decided from time to time by the directors. This quorum must include at least 2 directors from 28(1) and at least 1 from 28(3).

The quorum must have Voluntary and Community Organisations in the majority. This is so that any changes or any issues requiring a vote will need to be supported by third sector members.

At the time of this report there were 2 vacancies on the board (these could be filled by individual members or VCS organisation). We are particularly keen to ensure that our Board membership reflects the diversity of Wolverhampton and thus the Board have agreed that these two places will be filled by BAME colleagues, remaining vacant until this is achieved.

The Trustees of the company are also the Charity Trustees for the purposes of charity law. Under the Company's Articles they are known as members of the Management Committee.

#### **Trustees' Induction and Training**

As representatives of member organisations, key partners, or individuals most Trustees are familiar with the work of WVSC. Each new board member meets with the Chief Executive for an induction and is provided with a recently updated induction pack.

In addition, reports on specific activities are provided at board meetings and training/orientation sessions are organised for Trustees. The strategic direction of WVSC is regularly discussed at board meetings and a revised strategic document was adopted in 2017/18.

## **Organisation Structure**

WVSC has a management committee of up to 12 members who meet bi monthly and are responsible, with the Chief Executive, for the strategic direction of the Charity. In addition, the City Council nominate a Councillor with observer status on the board. The structure underneath the board is as follows:

A sub-committee of the board (known as the Executive Committee and consisting of up to four Trustees) meets with the Chief Executive on an ad hoc basis as required. This sub-committee provides a forum for more detailed discussion on key issues and advises the board.

A Remuneration Committee consisting of the Chief Executive and Deputy Chief Executive has been delegated by the Board to make salary adjustments in order maintain a fair and equitable salary structure within the organisation. Any changes to the salaries the Chief Executive or Deputy will be considered by the Executive Committee.

The Chief Executive has delegated responsibility from the board for the provision of services and the day-to-day operation of WVSC. The Chief Executive works closely with managers in executing these responsibilities. The structure below the Board comprises a number of elements as follows:

Senior Managers: The Chief Executive and Deputy Chief Executive meet on a regular basis, with other senior managers as required, to establish that the organisation is delivering its mission, that it is doing so in a consistent and effective manner, and to make any operational adjustments that may be required.

Section Heads: Managers from each area of work meet, as required, with Senior Managers in order to oversee the effective delivery of the organisation's outcomes, to maintain a consistent approach across the organisation, to consider issues affecting the work of the organisation and the wider sector and to share information.

Staff meetings: Regular staff meetings provide a forum for ensuring a collective understanding of day-to-day matters in areas such as health and safety, and provide a forum for the Chief Executive and others to communicate matters of relevance to all staff.

Staff support: All staff meet regularly for supervision with their Line Managers. The Chief Executive manages the Deputy CEO, the Finance Manager and the Project Managers of Talent Match and the social prescribing project. The Deputy CEO manages the other section heads. The Chief Executive receives supervision from the Chair of the Board.

Financial delegation: Robust financial systems are in place, with levels of financial authority from the Board, through to the Chief Executive down to individual departments, within agreed budgets. Systems for authorising both income and expenditure are in place along with an effective credit control system. Regular reports to Board ensure overall financial prudence and allow for the management of any financial risk.

## **Partner Organisations**

WVSC is a member The National Council for Voluntary Organisations (NCVO), NAVCA and The Chamber of Commerce.

As an umbrella organisation for the sector, WVSC has a major strategic role in Wolverhampton and works with partners locally, sub-regionally and nationally in order to achieve shared outcomes. To this end WVSC works in partnership at a number of levels and these can be summarised as follows:

**Voluntary Organisations and community groups:** WVSC has a role in working with other VCO's to "champion" the sector. This involves working with organisations in response to issues affecting the sector and carrying out a co-ordinating role to ensure that the sector is effectively represented at a strategic level across the city. At the most strategic level this includes membership of the City Board and Charing the Inclusion Board. In addition WVSC has the role of facilitating the Third Sector Partnership.

## **WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL**

### **Trustees' Annual Report for the year ended 31 March 2020**

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Consortia Partners: Consortia working, both within the VCS and across sectors, is growing and developing as an accepted approach for achieving better outcomes for local people. WVSC have been leading the way in the development of consortia both across the City and beyond.

#### **In particular:**

WVSC is the lead body for Talent Match: a lottery/ESF funded, Black Country project aimed at supporting people aged 18-29, who have been NEET for at least six months, nearer and into employment. Led by young people the project sub contracts to a range of VCOs in order to deliver some challenging outcomes.

Black Country Together (BCT) has been developed by the four CVS's in order to support the delivery of services by the VCS on a sub-regional level. WVSC is one of the four members of the organisation. BCT currently oversees the delivery of a contract worth £2M, from the Arts council (subject to Business Plan) and acts as the accountable body for one strand of the Building Opportunities, European Social Inclusion Fund (families in poverty). Delivery of this commenced in mid-2016 and an extension to 2022 has recently been secured.

We are the lead body for the Preventative Partnership (Previously called the Third Sector Consortium), a group of three delivery partners funded by the Clinical Commissioning Group and working to reduce A and E attendance and improve level of re-ablement among older people leaving hospital.

We lead a consortium of VCOs to deliver "Girls Allowed" a project working with girls in gangs or at risk of becoming part of the gang culture.

We deliver the Cities Social Prescribing Service which brings together Health (and Social Care) services, people who are referred from those services in order to address loneliness, isolation, low level mental health issues and so on; and VCOs who provide the prescriptions.

Third Sector Partnership: WVSC leads on the Third Sector Partnership (TSP), which consists of representation from Voluntary and Community groups and organisations and has become a key focus to ensuring a strong and clear voice for the sector on a range of strategic and policy issues.

Statutory Sector: The Chief Executive of WVSC is a member of the City Board and Chair of the Inclusion Board (one of three City Board sub boards), working closely with statutory sector colleagues in reviewing and overseeing the delivery of Wolverhampton's City Strategy.

WVSC, primarily through the Chief Executive and the YOW Project Manager, also represents the sector on a wide range of other forums. At the current time these include:

- ✓ Children and Families Together Board
- ✓ Community Cohesion Forum
- ✓ Black Country Grants Committee
- ✓ Safeguarding Boards
- ✓ The Sustainable Transformation Partnership (Black Country and West Birmingham)
- ✓ Integrated Care Partnership
- ✓ Cross Sector Forum

Through the Third Sector Partnership, WVSC also facilitates representation on a range of strategic and operational forums including:

- ✓ The Safer Wolverhampton Partnership
- ✓ Employment and Skills board
- ✓ Health and Well Being board
- ✓ Safeguarding boards

In addition, the Board and senior staff of WVSC work closely with statutory sector colleagues on a range of strategic matters such as the those relating to the Old School, social value, co-production, strategic funding and so on.

## **Risk Management**

The risks facing WVSC can be considered under 3 broad headings as follows:

### **Financial**

Internal Control Risks: The risk of financial mismanagement and, in the extreme, fraudulent activity:

These internal risks have increased significantly in recent years as WVSC's role in leading complex consortia activities, such as Talent Match, has grown. The decision to engage with IMPACT, an ESF funded programme led to further risks associated with a complex funding stream, this risk has been exacerbated as the focus of local accountable body (Dudley MBC) has hardened around quantity rather than quality of outcomes. This has favoured work with those nearer to the workplace and disadvantaged Talent Match in our work those facing the greatest challenge. The increased complexity has required a significant strengthening of our internal checks and controls and carefully considered flexibility in our relationships with sub-contractors, for example with regard to payment terms, including some payments in advance to smaller organisations. Particularly with regard to IMPACT we have strengthened our finance capacity within the Talent Match/ IMPACT project and increased involvement at CEO level, with regular internal meetings and ongoing reconciliation and other checks.

The overall risk is minimised by having in place robust financial controls and policies and procedures for safe management of financial resources. In addition, WVSC has a robust and effective credit control system in place that serves to ease cash flow difficulties and minimise bad debts.

These systems, coupled with a small but very competent finance team being in place means that we are working well in a complex environment. The financial outturn for the year under report, with a surplus of £10,766 on unrestricted funds and no significant or unauthorised overspend in any of the restricted budget areas would seem to support this.

Our continued membership of WMPF for long standing and ex staff members does present an on-going financial challenge that will be with us for many years and we have needed to negotiate more manageable rates and penalties with the scheme. This challenge would be more acute were we to suffer any significant reduction in our size as the financial burden would become a greater proportion of income. Our auto enrolment pension scheme, introduced for all other staff is running smoothly with good take up.

External Financial Risks:

WVSC's income is generated through grants, contracts and direct, paid for, services.

The main risk continues to be the changing role of local authorities and the reduction in the funding they make available to WVSC and other third sector organisations, the impact has included us continuing to subsidising our Infrastructure work from earned income. Part of our response to this has been to access EU funds to supplement Talent Match activity and to allow the Volunteer Centre to cover its costs while working with some customers in a more intensive fashion. The EU regime brings additional risks, not least the risk of "clawback" that we need to work hard to avoid. Beyond 2021/22 "Brexit" will mean the removal of a funding stream growing in importance to us. We have recently been involved in consultations with central government (Office for Civil Society) with regard to what will replace EU funds following any departure.

### **Operational**

We work in an environment where the weight and complexity of legal requirements in areas such as health and safety, employment law, equal opportunities and GDPR is growing, and this places all organisations at risk. In order to help manage this WVSC has a strong senior management structure. The Deputy Chief Executive working with the Operations Manager takes a lead on internal policies and procedures, many of these have been recently reviewed and a clear procedure for future review is in place. We receive support



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from Roots, a specialist HR Company to advice on recruitment and employment practices and subscribe to ONE as part of our insurance package, a service that provides information and advice on Health & Safety, Human Resources and Employment, Legal and Regulatory issues and Guidance; and Business Continuity/Disaster Management.

The Board are ultimately responsible for overseeing this area of work and WVSC also has in place a number of staff-led committees including in the areas of health and safety, equality duties and recruitment. These committees are tasked with responding to the operational requirements of the legislative framework.

Our response to COVID 19 from March this year, has seen the organisation respond well and lead the way for the wider sector. At the time of writing we are open and seeing customers in a safe and socially distanced way. Staff feel safe in the building and we are able to flex our model in light of any further restrictions or relaxations in the rules.

#### **Personnel**

Most organisations have a high level of dependency on their key staff. This is exacerbated within WVSC where the diversity of our activities and high levels of specialism among senior staff places us at significant risk if those staff were to leave through resignation or illness - in several areas there are no ready-made replacements that would be able to cover beyond the short term. With an established structure for sharing knowledge through, for example, the Section Heads Meetings, we are developing our ability to respond to any loss of a staff member, but it is envisaged that our reliance on key workers will continue to be high. Notice periods for the Chief Executive and Deputy are three months and for other managers it is two months (three months for Talent Match); this does reduce the risk of key posts being left unfilled for any significant time.

Staff turnover is relatively low, consistently running near or below 10%.

Staff sickness rates for this year averaged 4.7 days per employee, this is a marginal increase on last year (4.5) but compares favourably with other organisations and sectors. 6 staff (of 52) exceeded the Bradford Score, (a diagnostic tool which assists in identifying frequent short term absences). There were mitigating circumstances in four of these cases, which had now been resolved. Those with the 2 highest Bradford scores have since left the organisation. Sickness is being managed through our policy. 39 staff took less than 5 days sick leave of which 21 took none.

#### **Objectives and Activities**

A strategic document clarifying our objectives and how our activities meet these was completed in 2017/18 and remains in place. In developing this trustees considered the Charity Commission's guidance on public benefit.

#### **Values:**

We believe:

- 1) Everyone should be given the opportunity to fulfil their potential.
- 2) That the Voluntary and Community Sector has an important role in ensuring that people facing disadvantage or discrimination are not left behind.
- 3) In community action and volunteering as a route to full citizenship.
- 4) That we can achieve more by working in partnership with others.

#### **Our Mission Statement:**

**“WVSC works to maintain and develop a thriving and diverse voluntary and Community Sector”**

## WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

### Trustees' Annual Report for the year ended 31 March 2020

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In order to achieve this, the following objectives have been agreed by the Board of Trustees:

- 1) Work with groups and organisations, enabling them to provide high quality support and services.
- 2) Promote and champion Wolverhampton's VCS locally, regionally and nationally.
- 3) Develop opportunities for people to engage in volunteering.
- 4) Support groups of people to influence the decision making processes that matter to them.

#### How we do what we do

Our flexibility and experience enables us to use different methodologies to support service users. These methodologies include:

- 1) Being a **provider of support** to existing or new VCS organisations.

This work is funded through our Infrastructure contracts with WCC, subsidised by "earned income".

##### This includes:

- ✓ One to one support and training
- ✓ Funding advice
- ✓ Beginning in the year under report, advice and support on social enterprise and social investment
- ✓ Specialist Support in areas such as safeguarding, governance etc.
- ✓ Recruiting volunteers for organisations and supporting those organisations to retain and develop their volunteer workforce.

- 2) As a **developer, member or supporter of VCS consortia**, enabling groups of VCS organisations (and statutory providers) to work effectively together.

##### This includes:

- ✓ Developing the City's Social Prescribing Service, which is successfully linking primary care provision and social prescribing via link workers, in order to improve health outcomes for individuals and reduce pressure on traditional health provision
- ✓ Supporting the Headstart consortia of VCOs
- ✓ Supporting and championing the Cities Learning Partnership of VCOs.

- 3) Working as a **responsible body or managing agent** to VCS organisations and projects, providing whatever support is needed to win and manage specific commissions.

##### This includes overseeing the following consortia:

- ✓ Talent Match, which is our largest project and supports young people across the Black Country who are furthest from the workplace, to get nearer and into employment,
- ✓ Girls Allowed, which supports young women and girls in Wolverhampton to avoid engagement with gangs and gang activity,
- ✓ System Resilience, which support people to make better choices about their health care, keep themselves well and avoid returns to hospital after discharge.
- ✓ Building Connections - aimed at tackling loneliness.

- 4) As a **representative for the voluntary and community sector** on a wide range of local, regional and national bodies, involved in strategic thinking and planning of services and investments that will impact on priority groups in our area.

**This includes:**

- ✓ Chairing strategic bodies (Inclusion Board and Community Offer Steering Group)
- ✓ Sitting on bodies such as the City Board, safeguarding forums, Integrated Care Partnership and Children and families together board.
- ✓ Sitting on the board of the Black Country and West Birmingham wide Sustainable Transformation Board

- 5) As a **champion and promoter of the sector as a whole**, promoting and providing channels of communications across the hundreds of VCS organisations in our area.

**This includes:**

- ✓ Providing communication within the VCS and between it and public sector bodies
- ✓ Making the sector aware of funding opportunities
- ✓ Raising awareness of in areas such as social investment
- ✓ Operating the Third Sector Partnership
- ✓ Speaking on behalf of the wider sector and organising representation from the sector on strategic forums.

- 6) Being a **direct provider of services to end users**, (only) in cases where this work cannot be done more effectively by other organisations.

- ✓ SUIT supports people who use drug treatment services, this work is delivered as a sub-contractor to NACRO as part of the Recovery Near You Partnership.
- ✓ Social Prescribing does provide some direct support to customers but its aim is to utilise (and build) the range of "Social Prescriptions" delivered by VCOs in the City

**Who do we work with?**

We work where there is an identified need as defined by the changing priorities in our own and our partners' needs assessment work. These include at present:

- Voluntary organisations and community groups that deliver services and support to the local community.
- Communities or groups setting up or developing their own voluntary or community organisations.
- Those wishing to volunteer or take social action.
- Individuals in need, where WVSC is best placed to deliver a direct service including:
  - The unemployed and especially the young unemployed.
  - Those involved in drug and substance misuse.
  - Those suffering from mental illness
  - Those with an offending background
  - Other people who use Health and well-being services
  - Other groups of people who may be vulnerable
  - Those wishing to influence public services
- Local Public bodies including Wolverhampton Council, CCG, The Police, Colleges and the University.
- Sub regional and regional bodies including the STP, NAVCA and most recently the national VVS emergency response partnership

### **Why people and organisations choose to work with us**

- We employ a model of local growth and development that uses national, regional and local resources to provide quality local services that in turn generate local economic multipliers by providing employment, training and organisational support to local community and voluntary sector bodies.
- We have relationships with priority groups in the community, we can support improved reach and influence.
- We understand the long term value of building social capital.
- We always work in partnership across the VCS, the statutory sector and service users. We are expert in developing and supporting the many different models of partnership, social enterprise and joint venture that are needed.
- We are expert in planning and delivery models based on co-design and co-production. Such methodologies are efficient and effective ways of working across sectors and community groups.
- We provide support that leads to the provision of services that are effective and efficient when compared to other models of provision.

### **Public Benefit**

A thriving "Third Sector" is a key aim of Central Government and is increasingly seen as part of the solution to the health and social care crisis facing the country. This will involve the groups and organisations that make up the sector playing a fuller role in delivering services, including public services. Recasting the relationship between people and government; empowering citizens; extending opportunities and communities coming together to make lives better are key to current political thinking. In recent times the development of Social Prescribing has seen a greater focus on our sector as the enthusiasm and need for "social prescriptions" grows. In this context WVSC:

- Supports the development of capacity within the sector to position it to play a fuller part in the delivery of services.
- Delivering Wolverhampton's Social Prescribing Service.
- Enables meaningful participation in the work of partners sub regionally, City-wide and at the neighbourhood level.

### **Principle 1: Identifiable Benefits**

#### **1a) Key benefits are:**

- A strong and effective Third Sector in the city.
- A clear voice for citizens, specifically those who use public services to influence and improve those services and the policies that inform them.

#### **1b) Related to our aims:**

By supporting voluntary organisations to operate more effectively and by providing a clear voice for citizens, both through groups and as individuals, our benefits are directly related to our aims.

#### **1c) Balanced against harm:**

With reference to each benefit outlined above:

- A strong and effective Third Sector improves the quality of provision and choice to those who commission services. There are many services, both public and otherwise, that are delivered better by the Third Sector for a number of reasons including flexibility, reach and cost effectiveness. This is accepted and supported by all political parties at the time of writing.
- A clear voice for citizens helps to ensure that resources are used to best meet the needs of beneficiaries. It is possible that giving a disproportionate voice to one particular interest or point

## **WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL**

### **Trustees' Annual Report for the year ended 31 March 2020**

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of view could be detrimental and thus WVSC works hard to ensure that a balanced picture, informed by a wide range of voices, is presented through the activities outlined in note 15 to the accounts.

#### **Principle 2: Benefit to the public**

##### 2a) Beneficiaries appropriate to the aims:

Beneficiaries are "voluntary organisations" and the community within Wolverhampton and the surrounding areas. The vast majority of our work has been within Wolverhampton with these beneficiaries. Some cross boundary work has taken place within the Black Country and, less so, the West Midlands. In all this work Wolverhampton organisations and communities have benefited and remained our focus. Talent Match, the Preventative Partnership, Girls Allowed, Black Country Together, Social Prescribing and most recently work with the STP provide a vehicle for supporting voluntary organisations to work together to deliver public services and provides some capacity building to help them do so. Any surpluses generated will be used to the benefit of the local community.

##### 2b) Not restricted by geography or ability to pay:

WVSC's basic services remain free at the point of delivery although with the reduced availability of funding we do make charges for work beyond the core offer when this is feasible. No organisation within the area of benefit was denied a service because of inability to pay and we will continue to make every effort to maintain this approach.

##### 2c) People in poverty must not be excluded:

No charges are made to individuals for WVSC's services and thus people in poverty are not excluded. A flexible approach to delivery including visiting groups and individuals, providing information in written and electronic forms etc., also ensures that no-one is excluded as a result of poverty.

##### 2d) Private benefit must be incidental:

WVSC gives grants to groups to help them achieve their charitable aims – these are not used to provide any personal benefit to group members. WVSC provides for expenses to be paid to volunteers including board members. These expenses are to cover the costs to the individuals of engaging in forums or carrying out specific tasks.

## **Fundraising**

The majority of WVSC income is from Contract and Grants. Unusually in the year under report we were involved in two fund raising activities:

**One City Fund:** In partnership with City and Wolverhampton Council we embarked on a crowdfunding campaign to raise funds to be distributed to voluntary organisations in the City who were responding to the COVID outbreak. Activities commenced towards the year end and will be reported more fully in next years accounts when the campaign will have ended and all funds distributed.

In essence WVSC agreed to act as the accountable body for funds, receiving contributions from businesses and individuals ensuring that they were distributed fairly and in line with the campaigns agreed approach. Some organisation were selected prior to the campaign and named, in addition there will be an open call for applications that will then be considered by an independent panel. The process was established in line with guidance from the Fundraising regulator. Specifically checks will be carried out on each beneficiary including the provision of banking details and the receipt of documentation signed by senior staff or board members, monitoring will be in carried out that is proportionate to the funds allocated – no organisation will receive more than £5,500 - a report confirming the funds have been used as agreed will be required from each beneficiary. At the time of writing no complaints had been received and there have been no reports or evidence of intrusion, over persistence or pressure being used to elicit

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contributions. Go Cardless, which will collect the donations make a charge of 0.5% – all other funds will go to the beneficiaries. WVSC will not benefit financially.

**Orange Wolverhampton;** A campaign raising awareness of violence against women and girls. Public donations totalling £711.75 were received during the 2019/20 campaign: Badges were made available at a number of offices around the city along with a "collecting tin" – the £711.75 equates to the total of the money collected in this way. There was no evidence of intrusion, no promotion beyond the presence of badges and thus no pressure or persistence in securing donations. This approach was implemented because in previous years citizens had wanted to make contributions but had no route for doing so. All funds raised will be used in funding future Orange campaigns

## **Volunteers**

WVSC operates the city's Volunteer Service (Wolverhampton Volunteers). The service places over 1000 new volunteers a year, with some 350 registered organisations offering placements. The service also supports our most vulnerable citizens through BBO (Building Better Opportunities) working more closely with them to help ensure they can use volunteering, training and other routes to move nearer and into employment.

Wolverhampton Volunteers has achieved the quality standard - the Volunteer Centre Quality Accreditation (VCQA) - developed by Volunteer England, which focuses on the six core functions of a volunteer centre and of which only one is available in each locality.

The centre is increasingly becoming a hub for volunteering across the whole city, at the outbreak of COVID 19 and the associated restrictions we worked closely with the local mutual aid group which led to a significant increase in the numbers of volunteers registered with us. This in turn led to some expansion of the Volunteer offer to include work with care homes and the City Council. We provide regular support sessions with placement providers to improve their knowledge and practice, and outreach where capacity allows.

In 2016/17 we secured EU funding to work intensively alongside people facing significant barriers to employment and for whom volunteering will be part of the solution. This aspect of the Volunteer service works with 50 people a year. Funding for this work has recently been extended until 2022.

WVSC does offer opportunities for volunteering, primarily within Social Prescribing through for example befrienders and SUIT where volunteers are central to the delivery of the service. Opportunities elsewhere within the organisation are ad hoc but do regularly offer themselves.

**Details of the various work strands that deliver the above are included in Note 15 to the accounts on page 29.**

## **Overall Achievements, Performance and Financial Review**

During the year there was a decrease in income to £3,318,123 (from £3,542,243). This decrease is primarily as a result of the planned reduction in funding for Talent Match during the first year of its extension period, counteracted by the increase in funding for social prescribing. While we continue to seek new opportunities to deliver our aims and objectives, and anticipate additional success during 2020/21, our largest project in terms of income, Talent Match, is likely to see some further planned reduction in the years ahead. The bulk of this funding is money in-money out and so although there will be some impact on funds available for "core" activity as contribution to that reduce this will be manageable given our future plans (below).

## **WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL**

### **Trustees' Annual Report for the year ended 31 March 2020**

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This year has seen a modest increase in the unrestricted balance carried forward of £10,766 (£86,836 in 2018/19) – this is a satisfactory outcome in the current climate. The deficit in infrastructure support was agreed by the Board at the beginning of the year and is more than offset by unrestricted earned income.

During the year we worked directly to support many hundreds of groups and organisations; engaged with and influenced a wide range of forums, strategies and initiatives across Wolverhampton and beyond and supported thousands of vulnerable and troubled individuals, both directly and through collaborations with a wide range organisations.

Our work was delivered well against its targets and contracts. Talent Match met its National Lottery Targets and is well regarded by the funder, beneficiaries and partners. We do face an ongoing challenge from the local accountable body for IMPACT over value for money – regarded as high by NLCF and low by them – the dispute here is over quantity v quality – we are working hard to mitigate any risk associated with this.

We continue to lead the way in terms of innovation across the City, championing the development of social prescribing (and now pushing for resources to fund the social prescriptions as well as the SP structure) leading on Wolverhampton for Everyone and working with partners within and across sectors to address areas such as co-production, whole system approaches to deliver and the on-going levels of inequality in our City.

The very end of the year saw COVID-19 begin to take hold and this has dominated the landscape since then. We provided an initial robust response, working with our sector as part of the initial emergency response and then placing volunteers and supporting the more formalised structures and processes that began to form.

#### **Reserves Policy**

The reserves considered in the Reserves Policy, are the “free reserves”. These are the sum of the Unrestricted General Reserves, less Fixed Assets within Unrestricted Activity. These free reserves include designated funds. The rationale for WVSC’s reserves is: to bridge the gap between the spending and receiving of resources, to provide sustainability and continuity within times of income shortfall, and to enable WVSC to respond to key developments in the sector. The Trustees aim to build reserves which would enable WVSC to continue to fulfil its commitment to achievement of outcomes for at least 6 months, and to honour its liabilities at any point in time. For the 2019/20 accounts this policy gave us a figure to work towards of £794,029. Within this amount, funds of £145,571 (2018/19 £115,506) are closure costs, which are represented by a designated fund, and £648,458 are the running costs for 2020-21 as required by the reserves policy.

As at 31 March 2020, WVSC’s unrestricted reserves are £529,905 (£519,139 in March 2019). This includes £145,571 for closure costs and £1,330 safety fund, included as designated funds, leaving a residue of £383,004 (£402,303 in March 2019) as contribution towards the target of 6 months running costs, as directed by the reserves policy.

#### **Plans for the future**

Our Infrastructure and Volunteer Centre contracts are in place until 2020/21 with an expectation that they will remain until at least 2022/23.

SUIT has a sub contract in place with NACRO until 2022/23 with the option of an extension until 2023/24.

Talent Match funding has been extended until 2021/22 and work is progressing in terms of securing further funding from the Police and Crime Commissioner and/or the youth engagement fund, albeit on a more modest scale.

Social Prescribing Funding is agreed year on year with PCNs and we are in process of agreeing a three year contract with the CCG for non PCN posts.

## **WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL**

### **Trustees' Annual Report for the year ended 31 March 2020**

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The landscape is currently dominated by the impact of COVID-19. The epidemic has highlighted the frailty of the Health and Social Care System and there is a growing acknowledgement that the VCS is an important part of the solution, focusing as it primarily does, on prevention. Herein lies a key focus in the years ahead:

- ✓ Social Prescribing is likely to expand, at the time writing we have just recruited 2 SP workers to work with young people by way of a pilot and NHSE anticipate significant growth – we are well placed to benefit.
- ✓ The sub regional System Transformation Partnership (consisting of all key statutory bodies in the BC and West Birmingham) is most likely to implement the whole system approach that is required. We sit on the board and have recently recruited a worker, funded by the STP, to help ensure full “buy in” from statutory partners and the VCS itself. It is anticipated that funds for the sector, perhaps cascaded through CVSs will follow.

The COVID outbreak has also demonstrated the crucial role of local infrastructure and, for example, we have been paid to join the National Voluntary Sector Emergency Partnership, in recognition of that role. It is hoped therefore that we could see some reversal of the huge cuts in funding for local infrastructure organisations since 2008.

In the meantime we will continue to explore opportunities for leading consortia of VCO in delivering services, particularly in the areas of health and social care.

#### **Auditors**

Messrs Muras Baker Jones Limited have signified their willingness to continue in office as auditors and this was agreed in principle at the 2019 Annual General Meeting.

#### **Board of Trustees**

Steve Clay (Chair)

Janet Clarke Lewis

Pamela Cole-Hudson

James Fox

Anne Marie Harrison

Mike Hastings

Rebecca Ann Barnsley (appointed 23 January 2020)

Ann Biddle (appointed 23 January 2020)

Patricia Mary Kemp (appointed 23 January 2020)

Sarah Deeming (appointed 23 January 2020)

Anna Place and Lesley Davies resigned with effect from 23 January 2020.

#### **Disclosure of information to the auditors**

We, the trustees / directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

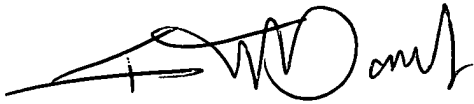
- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.



**WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL**  
**Trustees' Annual Report for the year ended 31 March 2020**

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**By order of the Board of Trustees**



**Ian T Darch**  
**Secretary**  
**14 January 2021**



**Steve Clay**  
**Chair**  
**14 January 2021**

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL for the year ended 31 March 2020**

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### **Opinion**

We have audited the financial statements of Wolverhampton Voluntary Sector Council (the 'charitable company') for the year ended 31 March 2020 which comprise a statement of financial activities (incorporating an income and expenditure account), a balance sheet 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 Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2019, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL for the year ended 31 March 2020**

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whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 2 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL  
for the year ended 31 March 2020**

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- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Muras Baker Jones Limited  
Chartered Accountants  
and Statutory Auditor

14 January 2021

Regent House  
Bath Avenue  
Wolverhampton  
WV1 4EG

Muras Baker Jones Limited is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006.

# WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

## Statement of Financial Activities for the year ended 31 March 2020 (Incorporating an Income and Expenditure Account)

	Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>INCOME</b>					
Income from charitable activities	5	44,724	3,266,721	3,311,445	3,535,832
Investment Income		6,678	-	6,678	6,411
<b>TOTAL INCOME</b>		<b>51,402</b>	<b>3,266,721</b>	<b>3,318,123</b>	<b>3,542,243</b>
<b>EXPENDITURE</b>					
Charitable Activities	6	27,388	3,215,706	3,243,094	4,439,700
<b>TOTAL EXPENDITURE</b>		<b>27,388</b>	<b>3,215,706</b>	<b>3,243,094</b>	<b>4,439,700</b>
<b>NET INCOME/EXPENDITURE</b>	7	<b>24,014</b>	<b>51,015</b>	<b>75,029</b>	<b>(897,457)</b>
Transfers between funds	15	(13,248)	13,248	-	-
<b>NET MOVEMENT IN FUNDS</b>		<b>10,766</b>	<b>64,263</b>	<b>75,029</b>	<b>(897,457)</b>
Total funds brought forward		519,139	743,325	1,262,464	2,159,921
<b>TOTAL FUNDS at 31 March 2019</b>		<b>529,905</b>	<b>807,588</b>	<b>1,337,493</b>	<b>1,262,464</b>

**WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL**

Balance Sheet as at 31 March 2020

	Note	£	2020 £	£	2019 £
<b>Fixed Assets:</b>					
Tangible Assets	8		3,000		-
Investments	9		1		1
<b>Current Assets:</b>					
Debtors	10	264,977		307,825	
Deposit Accounts		429,758		325,284	
Cash at bank and in hand		790,175		747,494	
		<u>1,484,910</u>		<u>1,380,603</u>	
<b>Creditors: amounts falling due within one year</b>	12	(150,418)		(118,140)	
<b>Net current assets</b>			<u>1,334,492</u>		<u>1,262,463</u>
<b>Total net assets</b>			<u>1,337,493</u>		<u>1,262,464</u>
<b>Charity Funds:</b>					
General unrestricted fund			383,004		402,303
Designated funds			146,901		116,836
Restricted funds			807,588		743,325
			<u>1,337,493</u>		<u>1,262,464</u>

The Directors are satisfied that the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. However, an audit is required in accordance with section s154 of the Charities Act 2011.

Directors' responsibilities:

- 1) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- 2) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of the accounts.

The financial statements were approved by the Board of Trustees and authorised for issue on 14 January 2021.



**Steve Clay**  
Chair of Board of Trustees



**Janet Clarke-Lewis**  
Vice Chair, Board of Trustees

**Company Number: 2288239**

# WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

## Cash Flow Statement at 31 March 2020

	Note	2020 £	2019 £
<b>Cash flows from operating activities:</b>			
Surplus / (Deficit) for the year		75,029	(897,457)
Adjustments for:			
Depreciation of tangible assets		-	-
Other interest receivable and similar income		(6,678)	(6,411)
Changes in:			
Trade and other debtors		42,848	191,963
Trade and other creditors		32,278	(12,434)
Cash generated from operations:		143,477	(724,339)
Interest received		6,678	6,411
Net cash from / (used in) operating activities		150,155	(717,928)
<b>Cash flows from investing activities</b>			
Payment to acquire tangible fixed assets		(3,000)	-
Net increase / (decrease) in cash and cash equivalents		147,155	(717,928)
Cash and cash equivalents at beginning of year		1,072,778	1,790,706
<b>Cash and cash equivalents at the year end</b>	11	1,219,933	1,072,778

## WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

### Notes forming part of the financial statements for the year

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#### 1 Statement of Compliance

The financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

#### 2 Liability of Members

WVSC is a company limited by guarantee. It does not have a share capital and the liability of each member is limited to the guarantee given by that member, which shall not exceed £1. There are no beneficial interests and under the terms of its Memorandum and Articles of Association any surplus can only be applied towards the promotion of WVSC's objectives, and no dividend or other form of distribution can be paid to its members.

#### 3 Accounting Policies

##### Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements are prepared in sterling, which is the functional currency of the entity. WVSC meets the definition of a public benefit entity under FRS 102.

##### Pension costs

Certain employees are members of the West Midlands Pension Fund ("WMPF"). The pension cost charge in the financial statements represents contributions due to this scheme in respect of earnings during the year, which are based on recommendations by the fund actuary.

The disclosures required by FRS 102 have not been included in the financial statements. WVSC is in a multi-employer defined benefit pension scheme, WMPF, and FRS 102 requires such organisations to identify their share of the pension scheme's assets and liabilities. However, within FRS 102 this is only to be achieved if "sufficient information" is available to do so. WVSC believes that an actuarial valuation would not be a reasonable use of public funds, and the directors therefore have decided not to provide this financial information on the balance sheet in the financial statements. WVSC manages contributions to its pension fund in line with the WMPF valuation recommendations, pension costs for all of the projects are fully budgeted for, and WVSC receives an actuarial valuation on the WMPF scheme on a three yearly basis. Issues around risk management of the pension fund are continually assessed through work with staff at WMPF, and at Board of Trustees' Meetings.

##### Tangible fixed assets and depreciation

Tangible fixed assets are normally capitalised where the cost exceeds £1,000, and are stated at cost less depreciation. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset, on a straight line basis over its expected useful life, as follows:

Office equipment	over 5 years
Computers	over 4 years
Refurbishment on lease	over time remaining on the premises lease agreement

The accounting for depreciation leads to a discrepancy between some financial statements submitted to funders, and the fund activity shown in the statutory accounts of WVSC. If a project has a funder which requires that a capital purchase is to be presented as a cash item rather than as a capitalised item, as required by Charity Accounting rules, then a discrepancy emerges between the amount claimed from the funder, and the fund accounting in the statutory accounts. Where this is the case, that particular discrepancy is referred to in the Trustees Report.



## WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

### Notes forming part of the financial statements for the year

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#### **Accounting Policies (cont.)**

##### Grants payable

Grants payable to local organisations are recognised in the financial statements when there is a commitment to make a payment.

##### Income

Revenue grants are received from various funders - see note 5 - in order to finance WVSC's activities and are accounted for in the income and expenditure account on an accruals basis.

Where revenue grants are received which have donor-imposed restrictions as to the timing of the related expenditure, any income received in advance is deferred.

Where revenue grants are received, which do not have donor imposed restrictions as to the timing of the related expenditure, the income is accounted for when received.

Income from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Income from the provision of legal, payroll and other core services are accounted for when earned.

Donated services and facilities are included at the value to the charity, where they can be quantified.

Investment income is included when receivable.

##### Expenditure

Resources expended are recognised in the period in which they are incurred and include attributable VAT, where it cannot be recovered.

Expenditure on charitable activities consist of costs incurred in the direct delivery of services and the support costs which are allocated to each of these areas of service provision.

##### Operating leases

Rentals payable under operating leases are charged to the statement of financial activities as incurred.

##### Fund accounting

Unrestricted funds comprise grants and other incoming resources receivable, or generated for the objects of the charity, without further specific purpose, and are available as general funds.

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund, together with a fair allocation of management and support costs.

Designated funds are unrestricted funds earmarked by the Trustees out of unrestricted general funds for specific purposes or projects.

##### Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

# WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

## Notes forming part of the financial statements for the year

### 4 Grants payable

	Number	2020 £	Number	2019 £
Self-Help Groups - Mental Health Empowerment	1	1,095	12	7,860
Third Sector Consortium Partners/Systems Resilience	3	115,304	3	115,304
Talent Match Partners	5	66,219	10	1,533,774
ESF Impact Talent Match partners	5	1,128,009	7	804,095
PCC Talent Match partners	4	49,508		
Girls Allowed Partners	7	100,467	7	89,693
Think Family Champion Partners			6	96,168
Building Connections Partners	6	22,323	7	16,070
Social Enterprise Wolverhampton Peer Mentoring	12	3,000		
Social Prescribing Partner	1	24,497	1	13,474
	44	1,510,422	53	2,676,438

### 5 Income from Charitable Activities

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £	Total 2019 £
Big Lottery Fund Grants (BLF)		717,481	717,481	1,343,663
ESF grants		1,351,160	1,351,160	962,190
BLF/ESF joint funded programme		65,688	65,688	58,358
BLF/DCMS* joint funded programme		32,391	32,391	16,135
City of Wolverhampton Council (CWC)		230,333	230,333	336,206
Clinical Commissioning Group (CCG)		478,809	478,809	297,004
Co-op Foundation		6,305	6,305	
Department of Health		84,884	84,884	147,100
Comic Relief		45,141	45,141	109,314
The Barrow Cadbury Trust		1,200	1,200	42,000
Police and Crime Commission		114,550	114,550	2,000
Donation		962	962	1,499
Non Grant Income	44,724	137,817	182,541	220,363
	44,724	3,266,721	3,311,445	3,535,832

# WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

Notes forming part of the financial statements for the year

## 6 Breakdown of Costs of Charitable Activity

	Staff Costs	Other Charitable Costs	Support Costs	Total 2020	Total 2019
	£	£	£	£	£
Core Activities			13,616	13,616	-
Infrastructure Support incl Trading	9,024	3,045	1,703	13,772	9,631
	<b>9,024</b>	<b>3,045</b>	<b>15,319</b>	<b>27,388</b>	<b>9,631</b>
Active Citizens Fund	-	354	-	354	1,646
Faith Engagement	10,650	778	2,000	13,428	12,792
Girls Allowed	-	116,778	6,500	123,278	100,383
Infrastructure Support	92,767	3,678	18,689	115,134	134,223
Life Chances	-	-	-	-	1,006
Mental Health	9,987	5,527	2,459	17,973	17,315
Service User Involvement	85,788	8,337	30,309	124,434	134,677
Social Enterprise Wolverhampton	9,547	10,108	-	19,655	23,545
Social Prescribing (CCG)	250,953	29,735	32,123	312,811	89,234
Social Prescribing (DoH)	63,315	16,811	8,327	88,453	143,531
Building Connections	-	24,556	-	24,556	16,135
Talent Match - Big Lottery	360,558	174,399	110,335	645,292	2,323,569
Talent Match - Impact (ESF/YEI)	69,182	1,251,376	32,387	1,352,945	1,025,225
Talent March - PCC	-	84,904	-	84,904	-
Talent Match - Satellite Clubs	-	-	-	-	17,271
Think Family Champions	-	-	-	-	141,373
Third Sector Consortium: Systems Resilience	-	122,217	-	122,217	123,006
Third Sector Partnership	-	783	-	783	504
Volunteer Services Bridges	53,938	5,582	7,760	67,280	63,129
Volunteer Services	45,610	1,417	15,154	62,181	59,798
Space to Connect	510	1,380	-	1,890	-
Wolverhampton for Everyone	25,173	11,164	-	36,337	1,707
YOW - Orange Wolverhampton	-	1,324	-	1,324	-
YOW - Children's Workforce	-	477	-	477	-
<b>TOTAL RESTRICTED</b>	<b>1,077,978</b>	<b>1,871,685</b>	<b>266,043</b>	<b>3,215,706</b>	<b>4,430,069</b>
<b>TOTAL EXPENDITURE</b>	<b>1,087,002</b>	<b>1,874,730</b>	<b>281,362</b>	<b>3,243,094</b>	<b>4,439,700</b>

## WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

Notes forming part of the financial statements for the year

### 6a Support Cost Breakdown by activity

	2020 £	2019 £
Staff costs	186,066	203,644
Property	54,601	56,017
Office	31,417	30,861
Depreciation	-	-
Professional fees	1,958	3,596
Support Costs	<u>274,042</u>	<u>294,118</u>
Governance costs:		
AGM	-	3,414
Audit fees	7,320	7,360
<b>TOTAL COSTS</b>	<u><b>281,362</b></u>	<u><b>304,892</b></u>

#### Basis of allocation of costs:

**Staff costs:** These are the staffing costs associated with work undertaken in the specific project areas as listed in note 6. Most staff work wholly in one project area, and their staff costs are allocated to that project. If their time is shared between projects, then the staffing cost is split accordingly. The staffing cost comprises gross salary plus on costs, including pension costs where applicable.

**Other charitable costs:** These are costs within the projects, incurred in the pursuance of the aims and objectives of each project. These costs are specific only to the project which they are allocated to.

**Support Costs:** These are costs which are incurred in the running of the organisation. They would include for example, core staff costs, rent, insurance, heat and light, IT support, repairs and maintenance, and any other costs which are associated with core staff executing their tasks, which are required in order to support all the projects and contracts within the organisation.

These costs are calculated on a budget basis, at the beginning of the financial year, and allocated as per numbers of full-time staff members in each project, or in accordance with grant agreement arrangements. Any support costs which are not recovered in the actual year, are seen as an additional core service support cost.

### 7 Net incoming/(outgoing) resources before transfers

	2020 £	2019 £
<b>This is stated after charging:</b>		
Rentals under operating leases	25,000	25,000
Auditors remuneration	7,320	7,360
Depreciation: owned fixed assets	-	-

## WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

Notes forming part of the financial statements for the year

### 8 Tangible Fixed Assets

	Refurb on lease	Computers and office equipment	Total
	£	£	£
<b>Cost</b>			
31 March 2019	34,996	2,250	37,246
Additions	-	3,000	3,000
31 March 2020	34,996	5,250	40,246
<b>Depreciation:</b>			
31 March 2019	34,996	2,250	37,246
Charge for the year	-	-	-
31 March 2020	34,996	2,250	37,246
<b>Net book value:</b>			
31 March 2019	-	-	-
31 March 2020	-	3,000	3,000

### 9 Fixed Assets Investments

The company's investments at the balance sheet date in the share capital of companies include the following:

#### People in Partnership (Wolverhampton) Community Interest Company

Nature of the business: The Company was incorporated on 12 July 2011 and has not traded during the year 2019-20. Initially WVSC held 100% of the holding, however the articles were amended and subsequently changes resulted in WVSC only holding 25%. However subsequent gifting of two shares have made it so that WVSC now holds 75% of the active holding.

Class of share	% Holding	
Ordinary	75	
	2020	2019
Aggregate capital and reserves	4	4

#### **Black Country Together C.I.C.**

Black Country Together CIC was founded 31 January 2013, by the four Councils for Voluntary Service in the Black Country each with 25% membership, with the aim of increasing levels of funding coming into our sub-region and fostering greater co-operation and collaboration between voluntary organisations and local statutory agencies both within and across borough boundaries.

BCT CIC is a company limited by guarantee without share capital. It is actively trading generating an income of £1,423,369 in the year ended 30 June 2019 which resulted in a small deficit of £744 for the year. The balance sheet at 30 June 2019, the most recent set of accounts, showed net assets of £3,951. Ian Darch, WVSC CEO, is a director of BCT CIC.

**WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL**

Notes forming part of the financial statements for the year

**10 Debtors**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Debtors	176,288	194,824
Payments in advance	88,689	113,001
	<u><b>264,977</b></u>	<u><b>307,825</b></u>

**11 Cash and Cash Equivalents**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Funds on deposit at bank	429,758	325,284
Cash at bank and in hand	790,175	747,494
	<u><b>1,219,933</b></u>	<u><b>1,072,778</b></u>

**12 Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Deferred income	-	1,255
Other creditors	103,716	79,012
Accruals	46,702	37,873
	<u><b>150,418</b></u>	<u><b>118,140</b></u>

**13 Analysis of Deferred Income**

	<b>1 April 2019</b>	<b>Released</b>	<b>Received</b>	<b>31 March 2020</b>
<b>Funder:</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
City of Wolverhampton Council	1,255	1,255	-	-
	<u><b>1,255</b></u>	<u><b>1,255</b></u>	<u><b>-</b></u>	<u><b>-</b></u>

**14 Analysis of Net Assets between Funds**

	<b>Unrestricted</b>	<b>Designated</b>	<b>Restricted</b>	<b>Total 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed Assets	3,001	-	-	3,001
Current Assets	432,950	146,901	905,059	1,484,910
Current Liabilities	(52,947)	-	(97,471)	(150,418)
	<u><b>383,004</b></u>	<u><b>146,901</b></u>	<u><b>807,588</b></u>	<u><b>1,337,493</b></u>

# WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

Notes forming part of the financial statements for the year

## 15 Reserves and Reconciliation of Movement in Funds

	31 March 2019 £	Transfers £	Incoming Resources £	Outgoing Resources £	31 March 2020 £
<b>Unrestricted funds:</b>					
General unrestricted funds	402,303	(43,313)	51,402	27,388	383,004
Designated funds	116,836	30,065	-	-	146,901
	<b>519,139</b>	<b>(13,248)</b>	<b>51,402</b>	<b>27,388</b>	<b>529,905</b>
<b>Restricted funds:</b>					
Active Citizens Fund	354	-	-	354	-
Faith Engagement	1,742	-	14,333	13,428	2,647
Girls Allowed	100,749	-	45,141	123,278	22,612
Infrastructure Support	23,466	13,248	100,968	115,134	22,548
Life Chances	11,868	-	-	-	11,868
Mental Health	85,569	-	200	17,973	67,796
Public Health Transformation	10,324	-	-	-	10,324
Service User Involvement (SUIT)	-	-	133,136	124,434	8,702
Social Enterprise Wolverhampton	18,455	-	1,200	19,655	-
Social Prescribing (CCG)	59,293	-	333,463	312,811	79,945
Social Prescribing (DoH)	3,569	-	84,884	88,453	-
Building Connections	-	-	32,441	24,556	7,885
Talent Match - Big Lottery	398,039	-	719,231	645,292	471,978
Talent Match - Impact (ESF/YEI)	6,571	-	1,351,160	1,352,945	4,786
Talent Match - PCC	-	-	114,550	84,904	29,646
Third Sector Consortium: Systems Resilience	5,491	-	123,504	122,217	6,778
Third Sector Partnership	1,022	-	-	783	239
Volunteer Services Bridges	1,947	-	65,688	67,280	355
Volunteer Services	10,726	-	60,000	62,181	8,545
Space to Connect	-	-	6,305	1,890	4,415
Winter Pressures Fund	-	-	22,000	-	22,000
Wolverhampton for Everyone	-	-	56,312	36,337	19,975
YOW - Orange Wolves	-	-	2,205	1,324	881
YOW - Children's Workforce	4,140	-	-	477	3,663
	<b>743,325</b>	<b>13,248</b>	<b>3,266,721</b>	<b>3,215,706</b>	<b>807,588</b>
	<b>1,262,464</b>	<b>-</b>	<b>3,318,123</b>	<b>3,243,094</b>	<b>1,337,493</b>

## WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

### Notes forming part of the financial statements for the year

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#### **Note: Reserves and Reconciliation of Movements in funds – Transfers between funds:**

In 2019-20 there were transfers of funds between unrestricted and restricted funds. Core transferred reserves of £13,248 to Infrastructure Support. This reflects the Board's decision to support the capacity building service with organisational reserves, up to an annually agreed value.

In addition within unrestricted funds there was a transfer from general reserves to the designated funds for operational liabilities of £30,065. This is as a result of increased liabilities included in the closure costs designated reserve.

**Purpose of Funds** The information provided below is a brief summary on each fund and how the funded activities contribute to WVSC aims and objectives.

#### **UNRESTRICTED FUNDS**

**General Unrestricted Fund:** This is used to fund some core activities that are not fully funded through our infrastructure support contract with CWC – this includes partnership working across the sector and with statutory sector, some capacity building and advocacy within the sector which isn't funded through the WCC grant, payroll, newsletter, website, and general infrastructure support services. All the above are also provided to projects/restricted fund activities within WVSC. It is also held to enable activities to continue for a period of time in the event of sudden loss of funding, in line with the Trustees' reserves policy. Movement on the level of these reserves is dependent on WVSC's ability to recover its' core operating costs from support cost charges to projects together with earned income, bank interest and any shortfalls on restricted funds.

**Designated Funds:** The balance in designated funds is £146,901. This represents £1,330 for improving safety within the organisation for staff and visitors, and £145,571 for operational liabilities/closure costs. Please see reference to reserves policy in the TAR.

For the year ended 31 March 2020 earned income totalled £51,402 (£87,014 in 18/19 – bolstered by a one off accountable body fee). Support costs were fully recovered through the agreed charges to projects and the combination of these and required movements to other funds meant unrestricted reserves including designated funds increased by £10,766 to £529,905. Within that there was a transfer of £30,065 into funds designated to closure costs to reflect increases in lease and redundancy liabilities. Current unrestricted reserves therefore cover closure costs and c3 months continuation costs, compared to the 6 months target set out by the reserves policy.

#### **RESTRICTED FUNDS**

Restricted funds represent funding received for specific projects and activities in support of WVSC's overall objectives

**Active Citizens Fund:** to work alongside communities to encourage new ideas and initiatives. This fund ended in 2018-19 and all remaining funds have been spent.

**Faith Engagement:** Funding from City of Wolverhampton Council to develop stronger links with Faith Organisations, focusing on raising awareness of safeguarding. This work initially straddled 2018/19



## WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

### Notes forming part of the financial statements for the year

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and 2019/2020 but has now been extended into 2021. During that time we reached out faith organisations across the City and have worked with many of them to improve their practices in areas such as safeguarding and provided information and support to help them in their roles. The outstanding balance of £2,647 will be utilised during the extension period.

**Girls Allowed:** This project is funded from the Tampon Tax Fund through a partnership between HM Government and Comic Relief and is working to support girls at risk of being drawn into gangs. After 18 months of delivery the project was extended for a further 18 month period. WVSC is the accountable body with the bulk of the activity and funding being subcontracted to VCS partners. The carried forward balance of £22,612 will be utilised in project delivery until July 2020. Additional funds from KFC, through Comic Relief, have been secured and this will allow the project to continue until the end of December 2021.

**Infrastructure Support:** This service provides a wide range of support to local VCOs including in the areas of funding, governance, safeguarding, policies, GDPR, information etc. This also incorporates the former YOW support worker focused on organisations working with Children and Young People and with a significant role in safeguarding within the City, particularly supporting CWC colleagues and the role of the CEO in strategic work with partners, including CWC. During the year we supported many hundreds of organisations and attended dozens of strategic forums across a very wide range of issues. These activities receive a £100K pa contract from City of Wolverhampton Council although this has not covered the full cost of the service for several years. In this year the board agreed to subsidise this work of £13,248 from unrestricted funds and a small use (£918) of restricted reserves. The reserve of £22,548 is held for partnership working with CWC and training in the sector, including on the development of Wolverhampton for Everyone and the compact. There is also a pension liability in this area.

Aside from these liabilities remaining funds will be spent on partnership working, specifically focusing on Wolverhampton for Everyone, an emerging WVSC supported movement in the City.

**Life Chances:** A grant of £30K was secured in order to develop a business case for a social investment model to deliver intervention to reduce demand on hospital services. The initial work was completed and reported on but unfortunately the business case was not progressed by the funder. The balance relates to funding allocated to the CCG, the work was carried out but the funding not required. In light of this the remaining balance of £11,868 will be used to deliver work aimed at reducing demand on hospital services when, as anticipated, opportunities arise.

**Mental Health Empowerment Project (MHE):** This project was funded through a contract with CWC for several years but the funding was withdrawn in 2017/18, In the meantime the CCG allocated additional funds which were used in the year under report to develop a directory of Mental Health provision in the City, along with an on line interactive map and to re-engage with peer led groups. This work was completed in the year. Reserves currently stand at £67,796. There is a significant pension liability within this project and some reserves are being used to cover the associated costs moving forward. Remaining funds will be available to support peer led MH groups in the years ahead.

**Public Health Transformation:** A joint 2 year project with the City Council funded through Public Health over 2014-16 and aimed at developing greater co-ordination of activity across the Health and Social Care Landscape. A lack of engagement at a strategic level caused the project to stall and that has meant that not all funds have been utilised. The grant was provided by Wolverhampton Public Health, a body that no longer exists. In light of this the unspent funds of £10,324 will be made available to support the developing social prescribing service which has similar aims to this fund, this will include purchasing IT equipment for people who are isolated and alone so that, with training, they can engage using technology.

## WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

### Notes forming part of the financial statements for the year

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**(Drug) Service User Involvement Project (SUIT):** Through a sub-contract with NACRO this project works alongside users and ex-users of drug treatment services to support them in influencing the design and delivery of drug treatment services and provides direct support to service users using a model based on abstinence based recovery. As anticipated last year overspend of £5,667 has been reversed and this year's surplus of £8,702 will be spent in line with the service aims.

**Social Enterprise Wolverhampton:** Funding of £42,000 from Barrow Cadbury was fully spent over 2018/19 and 2019/20 in raising awareness and the take up, by local VCOs, of social enterprise and social investment. This project has now closed.

**Social Prescribing:** The project works with "patients" to identify alternative approaches to tackling issues such as low level depression, isolation and frequent GP contact that can better be tackled by diversion to activities within the VCS such as wellbeing sessions, group activities, exercise etc., rather than by medical interventions. During the year the project supported in the region of 1000 customers facing loneliness, isolation and mental ill health. The project is funded through a combination of GP networks and CCG and DoH with the latter two forming one contract. The surplus of £79,945 was developed as a result of late payment and thus a late start for the DoH funded aspect of the project but awarding of funds for a full year. This reserve will be spent supporting the transition from a joint DoH/CCG funding to funding solely by the CCG. Any fund remaining will be used in future delivery within a growing project.

**Building Connections:** Jointly funded by the National Lottery Communities Fund and Central Government this grant was utilised in the year to help tackle loneliness. Funding is for 2.25 years, continuing until April 2021, WVSC is the accountable body and the bulk of activities are delivered by VCS organisations. This is another example of WVSC supporting collaborative working through consortia. The work is managed via the Social Prescribing project and helps it to deliver its aims.

**Talent Match/NLCF:** The project is Black Country wide and following a three year extension from the National Lottery Community Fund (NLCF) is entering its 6th year. Its key focus is on mentoring those young people who are furthest from the workplace including young offenders, many of whom are referred from prison., providing a range of support tailored to the young person's needs., WVSC employ the Talent Match core staff team but the bulk of the resources are spent with partners who run Talent Match hubs, host staff and provide other funded interventions through a preferred supplier network. Key to the project is that young people are central to all decision making. We have needed to balance expenditure between NLCF and ESF "match" over the three year extension. To this end NLCF have allowed us to carry funding forward for use in future years. The year-end balance of £471,978 will therefore be used towards the end of the project costs when ESF funds may not be available, with the IMPACT programme currently planned to end in July 2021.

**Talent Match/ IMPACT:** Talent Match is also part of IMPACT, an ESF/YEI funded project delivered in partnership with the four Black Country Local Authorities. Currently funded until July 2021 this project provides the match funding that had been required for the continuation of the core Talent Match Project. It will also allow us to work with some non- offenders over the project lifetime. The balance of £4,786 is the result of timing of claims and payments. All funds will ultimately be used in delivering the project.

The Talent Match project worked directly with c450 young over the year through the four talent match hubs, with beneficiaries overcoming drug and alcohol addiction, managing their mental ill health, growing in confidence and resilience, entering training, moving on from a life of crime and securing employment.

## WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

### Notes forming part of the financial statements for the year

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**Talent Match – PCC:** During the year funding was secured from the Police and Crime Commissioner, initially for one year, allowing us to employ additional mentors across the project. During the year this funding was used to support c100 young people.

**Third Sector Consortium:** Funded by the CCG this work involves a small consortium of three organisations supported by WVSC, which is the accountable body, working together to distributed and support effective messaging about health and social care provision, reduce admissions to A and E and to improve levels of re-ablement among elderly people leaving hospital. Targets in all these areas were met to the funder's satisfaction and funding has been extended for a further year (2020/21). The balance of £6,778 is as a result of a small underspend on monitoring and it is anticipated that all underspends will be spent in project delivery in the years ahead.

**Third Sector Partnership:** This funding supports the smooth running of the third sector partnership, including funds for administration, room hire and refreshments. The partnership provides a forum for the wider VCS and met three times during the year. No specific funds have been allocated to this work in year although it does form part of our contractual agreement for providing infrastructure support. The balance of £239 is the residue from funding previously made available specifically for the TSP and will be used to support ongoing delivery.

**Volunteers - BBO Bridges:** Part of our offer to Volunteers, this project works with those furthest from the workplace who want to use volunteering, alongside other support, to obtain employment. In the year the project worked intensely with c50 customers moving many of them on into further training and employment. As a result of good delivery we have been offered extensions on two occasions and now have funding confirmed until Dec 2022.

Payments are made against profile and the resulting balance of £355 will be used in the delivery of the service during 200/21.

**Wolverhampton Volunteers:** The project forms the basis of our volunteering offer and is outlined in the TAR. The project works with some 1000 volunteers and 350 organisations, each year, matching one with the other. The balance of £8,545 (£10,726 in 2018/19) will be used in future delivery.

**Space to Connect:** This funding was secured in order to establish the availability and need for community spaces where people, groups and organisations can meet. The work straddles 2019/20 and 2020/21 and will be reported on during the second year.

**Winter Pressures Fund:** Allocated via the CCG for use over 2019/20 and 2020/21 the funds are to be used in developing stronger links between acute Mental Health services and our Social Prescribing project, with any unused funds to be used in developing befriending services in the City. The onset of COVID 19 led to a delay in carrying out this work and so the funds of £22,000 will be carried forward to deliver in 2020/21.

**Wolverhampton for Everyone:** A "movement" being championed by WVSC and other partners, with the aim of involving increasing number of citizens in a "people powered" city has led to a range of exciting and innovative activities in the year including Ted Talks, "play outs", "jams" and so on, all aimed at increasing the ownership of "place" by citizens.. Partnership between WVSC and the CWC is an important aspect of the movement and one off funding of £56,312 was secured from CWC during the year to support this work. The reserve of £19,975 will be used in 2020/21 to continue the work while we await the outcome of a funding bid to NLCF.

**Orange Wolves:** This is a campaign to raise awareness of violence inflicted on Women and Girls. As reported under the fundraising section (page 12) £711.75 was made up of contributions by individuals via collection tins placed in offices across the City. The remaining £1493 was paid by City of

## WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

### Notes forming part of the financial statements for the year

Wolverhampton Council in order to purchase initial publicity materials. The balance of £881 will be utilised in publicising future Orange campaigns.

**YOW – Children's' workforce:** This fund is restricted for use in training the children's' workforce in the City. One training course has been delivered this year and the balance of £3,663 will be used in this way in the years ahead.

#### 16 Information regarding the members of the Board of Trustees

The names of persons who are members of the Board are given in the Report of the Board of Trustees.

**Remuneration:** Under the terms of the Memorandum of Association, neither member of the Board nor any connected person shall receive any remuneration from WVSC. Board members are offered reimbursement for travel expenses. The amounts involved are negligible.

#### 17 Particulars of Employees

The average monthly headcount was 45 (49 in 2019).

The average number of full time equivalent persons employed by WVSC during the year was:

	2020	2019
General activities	39.5	42

The aggregate payroll costs of these persons was as follows:

	2020 £	2019 £
Wages and salaries	1,101,138	1,169,935
Social security costs	87,382	91,997
Other pension costs	84,548	73,133
Redundancy costs	-	6,318
	<u>1,273,068</u>	<u>1,341,383</u>

	2020 £	2019 £
Key management remuneration	122,082	121,568

No employees earned more than £60,000 during the year.

## WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL

### Notes forming part of the financial statements for the year

#### 18 Pensions

Some of the employees of the charity are members of the West Midlands Metropolitan Authorities Pension Fund, which is a multi-employer scheme. The Fund is financed by contributions paid by both employees and the charity, and by earnings received on investments. The scheme is a Defined Benefits Scheme. It has been closed to new members.

Contributions to the Scheme from the employees are payable at a variable rate according to graded rates of pensionable pay. The employer contribution rate is set in response to the Actuarial Valuation for the scheme and for 2019/20 were paid at a rate of 23.3%. Following the 2019 valuation this rate increases for 2020/21 to 24.2%, set for the three financial years until March 2023. Also, the charity is required to make additional Past Service Lump Sum contributions towards meeting the shortfall in the scheme. The amount payable for 2019/20 was £15,518. The 2019 Actuarial revaluation has shown a lower funding deficit (reducing to £77k from £272k at March 2016) and as a result the total amount payable towards this shortfall over the next three years is £13,098.

It is assumed that the Administering Authority will continue to invest a significant proportion of the assets of the Fund in UK and overseas equities, and that these will produce a future investment return that exceeds the current yield available on bonds.

A stakeholder scheme was established in January 2016 and is offered to all employees who are not members of the West Midland Pension Scheme, subject to pension guidance in terms of eligibility.

#### 19 Taxation

WVSC is not liable to tax on any of its income because of its charitable status.

#### 20 Operating Lease Commitments

At 31 March 2020 WVSC had minimum commitments under non-cancellable operating leases as follows:

	2020		2019	
	Land and Buildings	Other	Land and Buildings	Other
	£	£	£	£
<b>Falling due:</b>				
Within one year	25,000	3,510	25,000	2,718
In one to two years		2,996	-	1,248
In two to five years		1,216	-	759
After 5 years		-	-	-
	<u>25,000</u>	<u>7,722</u>	<u>25,000</u>	<u>4,725</u>

A twelve month commitment is disclosed in respect of land and buildings as WVSC has an option to terminate this on giving one year's notice. The landlord can terminate the lease in the event of default by WVSC.

## **WOLVERHAMPTON VOLUNTARY SECTOR COUNCIL**

### **Notes forming part of the financial statements for the year**

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#### **21 Related Party Transactions**

Steve Clay is the CEO of YMCA Black Country, and a director of WVSC. WVSC purchase services from YMCA, there was no balance owing between WVSC and YMCA at 31 March 2020.

Pamela Cole-Hudson is the CEO of Gazebo Theatre in Education Company, and is a director of WVSC. Gazebo is a funded partner in the Talent Match Black Country and Girls Allowed projects, and in 19-20 was funded £355,037 through these partnership agreements. In addition services were purchased from Gazebo during the year. As at 31 March 2020 Gazebo Theatre in Education Company held a net balance of £22,967 of Talent Match hub funds, in line with the partner funding agreements, which will ultimately be repaid to WVSC. In addition WVSC owed Gazebo £6,960 for other services. The net balance therefore is £16,067 of funds held by Gazebo.

Mike Hastings is the Director of Operations at Wolverhampton CCG, and is a director of WVSC. The CCG provide funding to WVSC for a number of projects. As at 31 March 2020 the CCG owed WVSC £22,278 in relation to funding allocated towards the end of the financial year.

Ian Darch, CEO of WVSC, is a director of Black Country Together CIC, a company limited by guarantee. As at 31 March 2020 BCT CIC owed WVSC £769.

Stephen Dodd, the YOW co-ordinator within WVSC, was the voluntary and community sector representative on Wolverhampton Safeguarding Children Board and Wolverhampton Safeguarding Adults Board. In this capacity he sat on boards which made decisions in respect of Faith Engagement funding to WVSC for 2019-20, although he did not take part in the decision making process. Faith Engagement funding of £3,477 was owed to WVSC as at 31 March 2020.