

VOLUNTEERING  **MATTERS**

ANNUAL REPORT

**AND ACCOUNTS
2018/19**



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ABOUT US

OUR VISION IS OF A SOCIETY IN WHICH EVERYONE CAN PARTICIPATE IN THEIR COMMUNITY THROUGH VOLUNTEERING AND SOCIAL ACTION.

As the UK's leading organisation in volunteering policy and practice, our mission is to invest in people's ability to volunteer, reducing inequalities and isolation, improving health and wellbeing and building a stronger and more inclusive society.

OUR TRUSTEES

President

Lord Levy, FCA (until May 2019)

Lord Freud (from May 2019)

Vice President

John Pulford MBE, MBA

Council

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

Peter Bailey

Member of the Income Generation, Marketing and Communications Committee
Member of the Finance and Investment Committee
Member of the Audit Committee

Satyen Dhana

Member of the Audit Committee
Member of the Finance and Investment Committee

Andrew Hudson

Vice-Chair of the Council of Trustees
Member of the Audit Committee
Member of the Finance and Investment Committee

Anne Heal

Chair of the Council of Trustees
Member of the HR, Remuneration and Pension Committee

Julie Kirkbride

Chair of the Income Generation, Marketing and Communications Committee

Patrick Luong

Member of the HR, Remuneration and Pension Committee
Member of the Income Generation, Marketing and Communications Committee

Mitan Patel

(until October 2018)
Member of the Finance and Investment Committee

Katerina Rudiger

Chair of the HR, Remuneration and Pension Committee

Brian Smouha

(until July 2019)
Chair of the Audit Committee
Member of the Finance and Investment Committee

David Wilkinson

Chair of the Finance and Investment Committee
Member of the Audit Committee

Iona Wyn Turner

Member of the Income Generation, Marketing and Communications Committee

OUR EXECUTIVE LEADERSHIP TEAM

Oonagh Aitken

(until August 2019)
Chief Executive and Company Secretary

Paul Reddish

(from September 2019)
Chief Executive and Company Secretary

Paul Buddery

Director of Volunteering Strategy

Laura Doughty

(until July 2018)
Deputy Chief Executive

Michael Joseph

(from September 2018)
Chief Finance Officer

Emma Thomas-Hancock

Director of Volunteering Delivery

Auditors

Saffery Champness LLP
Chartered accountants
71 Queen Victoria Street
London, EC4V 4BE

Principal bankers

Barclays Bank plc
1 Churchill Place
London
E14 5HP

Principal solicitors

Peter Kingshill & Co
7 Liverpool Terrace
Worthing, BN11 1TA

Volunteering Matters is a registered charity in England and Wales no. 291222 and in Scotland no. SC039171. Volunteering Matters is a company limited by guarantee no. 1435877. Registered office The Levy Centre, 18 – 24 Lower Clapton Road, London, E5 0PD



WE HAVE WORKED HARD TO REBUILD AND REFINE OUR BUSINESS MODEL TO ENSURE A FINANCIALLY MORE STABLE FUTURE FOR THE CHARITY.

I would like to start with some thanks and farewells. This was the last full year for Oonagh Aitken, our Chief Executive, who stepped down in Summer 2019. I am personally hugely grateful to Oonagh for everything that she has done for Volunteering Matters; she led the organisation through some difficult times with commitment, dedication and compassion. Oonagh will continue to support some of our European work, where we both learn much from others and share our insights in return. My thanks to Oonagh and my best wishes to her for the future. We welcome a new CEO, Paul Reddish.

We have also seen change of another sort, as our President, Lord Levy, stepped down after more than 20 years. We are most grateful to him for everything he has done in terms of supporting us with his time, his energy and his passion for the charity's work. We are delighted to welcome Lord Freud as his successor. Lord Freud, as the creator and founder of the Grandmentors programme, already knows us well and has worked with Volunteering Matters for more than 10 years. We look forward to working with him in his new capacity as we go forward.

Like many charities, 2018-19 was a challenging 12 months for Volunteering Matters. Overall, it was a difficult year with some disappointing results in the face of a very challenging funding environment. Our disposal of our property in Hornsey Road, London will give us the headroom to refresh our strategy. This review, which will be led by Paul Reddish, will enable us to focus our resources on ensuring that as many volunteers as possible have the opportunity to make the greatest possible impact in their communities, facilitating and delivering solutions and real social changes that address inequality and poverty and improve well-being and opportunity.

There is much to be done, but the trustees and I are looking forward to building the clearest possible case to set out how what Volunteering Matters does can help tackle some of today's most pressing societal needs and ensuring that we can do so in a way that is sustainable over many years to come.

Anne Heal
Chair of Trustees

THANK YOU



I'D LIKE TO THANK THE MANY INSPIRATIONAL VOLUNTEERS I HAVE MET DURING THE PAST FIVE YEARS; I CANNOT THANK THEM ENOUGH FOR THE AMAZING WORK THEY DO.

Our volunteers do the most amazing things. From supporting young people leaving the care system, offering vulnerable families day to day input on a practical level, giving disabled people the opportunity to live their lives to the full, improving the health and well-being of older people or working with young people to allow them to volunteer and engage in social action, they truly transform lives.

It has been my privilege to be Chief Executive for the past five years, and I trust I am handing on an organisation with the capacity to develop and grow. I could not have done this without my fantastic Executive Leadership Team who have shown themselves to be both resilient and creative. I'd like to thank Lord Levy for all his support. I have also been supported all the way by my Chairs (past and present) and Board members. I'd also like to thank all our funders, donors and partners whose support has enabled us to transform the lives of volunteers and beneficiaries through our work. Lastly, I'd like to thank the many inspirational volunteers I have met during the past five years; I cannot thank them enough for the amazing work they do to support the most vulnerable individuals, families and communities across the country.

Oonagh Aitken
Former Chief Executive



WE'VE A FANTASTIC FOUNDATION OF WORK TO START WITH, AND SOME BRILLIANT PEOPLE BUT THAT NOW NEEDS TO BE SUPPORTED WITH SOME CHANGES IN THE WAY WE SET OURSELVES UP, AND HOW WE ARTICULATE THE IMPORTANCE OF OUR WORK.

As I write this, I am on week seven of my tenure into leading this fantastic charity. Already it's clear our work empowers individuals and communities to use their time in ways that deliver real social change. These changes are the key to ending social isolation. To improving health and well-being. To providing opportunity. And to making sure everyone in this country lives happy, fulfilling lives. Last year our 20,790 volunteers gave up their time to make the lives of others more worthwhile and fulfilling. The gift of time to help someone else is the single most powerful tool we have to demonstrate to others we care about them. Their wellbeing. Their future.

Financially, 2018/19 has been as challenging as the previous two years. Attempts have been made to address this, but we are still not quite there in terms of sustainability. The sale of a property has given us the time to make improvements, and now is the time to look at the changes we need to make to grow into the future.

We've a fantastic foundation of work to start with, and some brilliant people but that now needs to be supported with some changes in the way we set ourselves up, and how we articulate the importance of our work. I am confident that with a fresh articulation of the incredible amount of social impact and capital being generated by so many staff and volunteers, along with a more systematic approach to growing our work centred around the needs of communities, we will see growth over the coming years.

Our current strategic plan comes to an end in 2019, and we are currently consulting with staff and volunteers on how we build this future vision together.

I look forward to sharing the results of the work and launching a new strategic plan in Spring 2020.

A handwritten signature in black ink, appearing to read 'P Reddish'.

Paul Reddish
Chief Executive

TRUSTEES' REPORT INCLUDING THE STRATEGIC REPORT

WE INSPIRE PEOPLE TO TRANSFORM THEIR LIVES AND THE LIVES OF OTHERS THROUGH THE POWER OF VOLUNTEERING.

20,790

TOTAL VOLUNTEERS

86,109

PEOPLE DIRECTLY SUPPORTED BY OUR VOLUNTEERS

Our vision is of a society in which everyone can participate in their community through volunteering. As the UK's leading organisation in volunteering policy and practice, our mission is to invest in people's ability to volunteer - thereby reducing inequality and isolation and improving

health and wellbeing - to build a strong and more inclusive society.

In 2018/19 we focused on the needs of four distinct communities that encapsulate both our volunteers and the people who benefit directly from their work.

THESE COMMUNITIES WERE:

- Young people
- Disabled people
- Families
- Older people

YOUNG PEOPLE

Young people can make all the difference to their communities and their lives through the power of volunteering. Volunteering with us enables young people to grow in confidence, enhance life and employability skills and support children and other young people.

We help them deliver real change.

OVER **1,340**

PEOPLE AGED 16 - 25 VOLUNTEERED WITH US

OUR VOLUNTEERS HELPED MORE THAN

19,500

YOUNG PEOPLE ACROSS THE UK

WE GIVE YOUNG PEOPLE A PLATFORM TO SHARE IDEAS AND EMPOWER THEM TO TACKLE ISSUES THAT MATTER MOST TO THEM.



"My young person has not had the easiest start in life...Through befriending, she has already achieved some things that she had never done before... I am making a real difference just by investing a few hours volunteering every fortnight."

Stephanie (left) who volunteers with our Clackmannanshire Befriending Project, Scotland, and her young person (right).

OUR WORK

DISABLED PEOPLE

Our partnerships with local organisations and businesses help people with disabilities to actively volunteer and contribute to their community.

We run courses and flexible training that focus on skills from socialising to travelling independently or keeping healthy and safe, and many more. We help improve social and employability skills, develop participants' confidence and ultimately change the lives of people with disabilities by enabling them to actively contribute to their community.

HAVING A PHYSICAL OR LEARNING DISABILITY SHOULD NEVER BE A BARRIER TO VOLUNTEERING.

1,438

PEOPLE WITH DISABILITIES WERE ABLE TO VOLUNTEER WITH US

13,118

PEOPLE WITH DISABILITIES WERE SUPPORTED BY OUR VOLUNTEERS



"It's transformative, it really is. From a quality of life point of view, I don't think anything else would improve our lives more... It's astonishing...It's a holistic change for the family."

Drew, whose son William has learning and physical disabilities. The family have been supported through our Match and Mentor service.

OUR WORK

FAMILIES

We support vulnerable children and families through some of the most challenging stages of their lives.

Our volunteers mentor young people leaving care, befriend children with challenging behaviour, support families of children with life-limiting illnesses, and parents with children at risk of neglect or on a 'child in need' plan. Because our volunteers are from the local community, we're able to facilitate better outcomes for families while providing training, skills and experiences to our volunteers. We aim for the best outcomes for all.

OUR VOLUNTEERS
SUPPORTED

1,059

FAMILIES IN
2018/19

"I have seen cases where I really thought that reception into care would be the only option as it seemed like the parent could not make the necessary changes – and the volunteer has turned that around"

Aaron, Child Protection Social Worker

WE AIM FOR THE BEST OUTCOMES FOR ALL.



"I definitely feel like I've made an impact over the past four months...As volunteers we offer a different dynamic to the social care support system, a softer side."

Maria, a volunteer with our Volunteers Supporting Families.

RETIRED AND OLDER PEOPLE

Our projects reach out to isolated individuals, boost social inclusion and empower older people to improve the health and wellbeing of others in their community. For example, our Retired and Senior Volunteer Programme enables people aged over 50 to set up and participate in volunteering activities. The award-winning Grandmentors programme pairs volunteers aged over 50 with young care leavers to empower them to achieve their full potential. Sporting Chance, brings together socially isolated older men through a shared passion for sport to turn their health and wellbeing around.

These projects and programmes are developed, supported and run with retired and older people who benefit from volunteering and help improve the lives of others in their local area.

4,730

PEOPLE AGED 50+ USED THEIR SKILLS,
KNOWLEDGE AND EXPERIENCE TO
VOLUNTEER WITH US IN 2018/19

23,387

OLDER PEOPLE BENEFITED FROM OUR
PROJECTS AND PROGRAMMES

"Sporting Chance's impact has been incredible. Both the mental and physical wellbeing of the men engaged with the programme has improved dramatically, leading to a fall in medication use and visits to the GP".

Head of Health Development Team, Middlesbrough Council.

WE DEVELOP, SUPPORT AND DELIVER AWARD-WINNING PROJECTS FOR AND WITH PEOPLE OVER THE AGE OF 50



WE'VE CONCENTRATED ON DEVELOPING PROGRAMMES WHICH EXTEND THE SOCIAL REACH OF VOLUNTEERING – BRINGING ITS BENEFITS TO THOSE WHO ARE OFTEN SOCIALLY MARGINALISED.

OUR PROGRESS

We continue to take forward our corporate strategy (2017-20).

IT SETS THREE CLEAR AIMS:

- increasing our reach and impact
- providing the best possible volunteer experience
- providing policy leadership

Through a difficult financial year, our decisions have been guided by a consistent focus on these priorities.



Increasing our reach and impact

We've concentrated on developing programmes which extend the social reach of volunteering – bringing its benefits to those who are often socially marginalised.

Our innovative youth social action programmes are powered by young people's ideas, and have evolved to tackle important social challenges.

These range from groups formed by women affected by domestic abuse and gender-based violence (WASSUP) to the bullying and exploitation of young women with learning difficulties (SAFE) to projects delivered by young men tackling gender stereotypes (We Are Patrick), and those striving to educate peers on positive mental health (Mind Matters).

The quality of these and other programmes has been recognised in a series of national awards – Grandmentors won both the **2018 Charity Award for Best Social Care, Advice and Support** and the **2019 National Mentoring Award** in recognition of its transformational work supporting young care leavers.

Our Retired and Senior Volunteer Programme (RSVP) celebrated its **30th anniversary**. It enables people aged over 50 to take the lead in setting up and participating in volunteering activities that improve the health and wellbeing of others in their community through running sports clubs, employability skills workshops, patient driving schemes, knitting groups and much more.

It is genuinely led by the community it serves. To ensure that RSVP groups continue to thrive, we conducted a deep dive review that looked at the groups' aspirations and challenges. We found an appetite to update the programme's vision and re-shape its delivery, so we have established a national capacity building project which will operate hand in hand with a steering group of RSVP volunteer organisers.

The Employee Volunteering Team has continued to provide ambitious, socially impactful volunteering opportunities for businesses. We introduced changes that ensured that these were more easily accessible and flexible by launching our new microsite employee.volunteermatters.org.uk. We also delivered eMentorMe, a new online platform introduced to the UK in partnership with German social enterprise Volunteer Vision.

The best possible volunteer experience

We have raised the quality and consistency of our volunteers' experience. We reviewed our Full-Time Volunteering roles to ensure we can provide the most impactful and rewarding roles for our volunteers. We reviewed training programmes to ensure that diverse projects share key best practice by volunteering type: peer to peer, mentoring and befriending, and social action. We have also undertaken a comprehensive standardisation of documentation and procedures. One outcome of this was a new Volunteer Handbook that was distributed to all our volunteers in June 2019.



Policy leadership

We have continued to make the policy case for inclusive and high quality volunteering, while working with partners to turn these aspirations into reality.

Our submissions to the Government's Civil Society and Loneliness Strategies drew on the experience of our volunteers and beneficiaries. The Spirit of 2012's Get Out Get Active programme (GOGA) has enabled disabled and non-disabled people to enjoy physical activity together.

Through our role in the partnership, we have provided operational and strategic support to local projects in developing genuinely inclusive volunteering practice.

With funding and support from the Department of Health and Social Care, NHS England and NHS Improvement, we worked with Step Up To Serve and the National Association of Voluntary Managers to update our Youth Volunteering and Social Action in Health and Social Care toolkit. It included new case studies of how to include younger children in volunteering and social action roles. The foreword by Matthew Hancock, Secretary of State for Health and Social Care, thanked Volunteering Matters for its contribution and noted: **'When young people take part in meaningful social action there's a double benefit – they develop and improve their own confidence, skills and wellbeing, whilst making a positive difference in their communities. Simply put, everyone benefits.'**



OUR IMPACT

OUR WORK IN EUROPE

In a year of political uncertainty around Brexit and the UK's future relationship with the European Union, we remained committed to our European and international work. Through partnerships and cross-border projects, we brought young people from Europe and beyond to volunteer and contribute to the lives of communities across the UK, reflecting the EU values of inclusion, tolerance, justice, solidarity and non-discrimination.

As the host of Volonteurope Secretariat and member of leading European civil society networks, we advocated for the UK's continued inclusion in European programmes in response to the challenging Brexit climate. We worked alongside colleagues in the UK Civil Service, contributing to meetings and ministerial roundtables with the Scottish Government. Through Volonteurope's positioning in Brussels we ensured that the important role of civil society organisations in overcoming social exclusion, intolerance and prejudice, which threaten the social fabric of our communities, is fully recognised and supported through programmes such as Erasmus+.

The funding for European Voluntary Service, EVS, and the European Solidarity Corps Programme, enabled us to bring dozens of young, motivated and energetic Europeans to volunteer and support some of the most vulnerable and socially excluded people in communities across the UK.

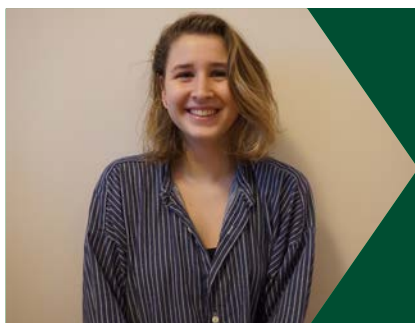
We were delighted to organise a major EVS Conference and Volonteurope's 27th Annual Meeting in Gdańsk, Poland, hosted by the European Solidarity Centre. The theme of the conference - **"Solidarity in challenging times: the role of youth, volunteering and mobility in building an inclusive Europe"** - provided a platform for young volunteers from the UK and Europe to talk about their experiences in making a positive impact on communities through civic activism and cross-border volunteering.

We were also delighted to secure European Solidarity Corps funding, in partnership with ProjectScotland, so that, despite the uncertainties that Brexit has created, we will continue to mobilise young Europeans to engage in volunteering and transform the lives of people and communities across the UK.

**FOR OVER 20 YEARS
VOLUNTEERING
MATTERS HAS SHARED
OUR KNOWLEDGE
AND EXPERTISE
IN VOLUNTEERING
PRACTICE AND POLICY
ACROSS EUROPE AND
THE REST OF THE
WORLD.**

"I support people with learning disabilities in their day-to-day lives, whether it's going shopping, going to work or going to art classes. To see them become more independent and more self-confident from week to week is amazing. And while they are making progress, I am also gaining new abilities."

Emma, a German volunteer whose placement in the UK was made possible through Erasmus+ Volunteering Projects funding.



OUR WORK WITH EMPLOYERS

As the UK's leading volunteering charity, our diverse range of national and local projects enable employee volunteering programmes to make a genuine impact on the causes that mean the most to an organisation's staff.

With over 50 years experience in high impact volunteering, we help employers meet real community needs, have a transformative impact on people's lives, and add value to their organisation and employees.

We are lucky enough to count amongst our longstanding corporate clients **Aviva, National Grid, Deloitte, KPMG, The Co-operative, Deutsche Bank, Bank of America, Merrill Lynch, QBE and Morrisons.**

In 2018/19 we continued to play an active part in the government's Skills Exchange initiative and we launched new digital services - employee.volunteermatters.org.uk and eMentorMe - to enable many more employers of all sizes to realise the benefits of employee volunteering.

nationalgrid

"This has been a fantastic experience! It felt personally rewarding to give something back to the community and know that I have made a positive impact. Thanks to Volunteering Matters for all the support offered."

Employee Volunteer at National Grid



"I've had the opportunity to make a difference to someone's life, and contribute to my local community. It's also enabled me to develop my patience and negotiation skills, which in turn has improved my ability to perform well in conflict resolution scenarios as part of my role at Deutsche Bank."

Rahat, an Employee Volunteer at Deutsche Bank.

PUBLIC BENEFIT

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set. The Trustees have complied with the duty under the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

LOOKING AHEAD

In 2019/20, we are continuing to refine our business model, prioritising six key services - **Volunteers Supporting Families, Grandmentors, Youth Social Action, Sporting Chance, Full-Time Volunteering and Employee Volunteering.**

By focusing on these six key services we aim to attract new investment, build a sustainable future and ensure that we continue to inspire people to transform their lives and the lives of others through the power of volunteering.



OUR IMPACT

OUR FUNDRAISING PROMISE

At Volunteering Matters we strive for the highest standards in fundraising and want our supporters to be treated with honesty and respect.

Volunteering Matters' Board of Trustees, Executive Leadership Team and staff are all committed to adhering to the Code of Fundraising Practice and are proud to be registered members of the Fundraising Regulator, which sets the standards of fundraising practices in the UK.

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

We are committed to getting things right first time and we take all complaints seriously.

We have a formal complaints procedure and promise to make every effort to ensure all complaints are dealt with swiftly and appropriately.

We are pleased to report that we received no complaints about our fundraising practices during our last financial year and will continue to adhere to the high standards our supporters expect from us.

**WE STRIVE FOR THE
HIGHEST STANDARDS
IN FUNDRAISING
AND WANT OUR
SUPPORTERS TO
BE TREATED WITH
HONESTY AND
RESPECT.**

CONTACT US:

The Levy Centre, 18 – 24
Lower Clapton Road,
London, E5 0PD

020 3780 5870
volunteeringmatters.org.uk

FINANCIAL REVIEW

RESULTS FOR THE YEAR

2018/19 has seen a reduction in overall project income of £864k, down 15% from last year.

Our response was to instigate a restructure and scaling back of several major projects and an organisational review and cost mitigation exercise. This resulted in savings of £662k or 10% including a reduction in staff costs of £453k.

The net financial impact before pension was a deficit on unrestricted funds of £1,225k compared to a deficit on unrestricted funds of £485k in 2017/18.

Actuarial losses based on the valuation of the defined benefit pension scheme were a further £1,206k compared with gains in 2017/18 of £2,285k. This does not impact cash flow as the annual contribution made to the pension fund is capped by agreement with the London Borough of Islington, but it increases the overall pension deficit on our balance sheet at year end.

Cash deposits reduced and we established an overdraft facility to secure sufficient working capital until the completion of the sale of the Hornsey Road property in October 2019.

LOOKING FORWARD

In October 2019 we sold a surplus property in Hornsey Road, London for £2.2m. The initial restructuring, alongside the sale of property at Hornsey Road, has increased available cash reserves and reduced the operational deficit. This has given the charity time to review its future operating model which is due to be completed in December 2019.

Underneath the overall financial picture sit a number of high impact projects that are funded in a sustainable way, but our core costs are too high for the size of our current operations and this will be a key focus in the restructuring exercise, alongside a clear and simple vision for future growth.

This second part will be done from a position of strength having significantly reduced our overheads and setup our teams for success in 2019/20.

We anticipate another challenging year in 2019/20 but our financial intent is to ensure the operating budget in 2020/21 will grow to break even or a small surplus.

RESERVES

The Trustees have ensured that the Reserves Policy is fit for purpose and meets the requirements of the Statement of Recommended Practice for charity accounting (FRS 102) and in addition have considered the Charity Commission's guidance on the matter specifically:

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

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

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

The charity's available reserves at 31st March 2019 have therefore been calculated as follows:

	£'000
Total Reserves excluding Pension Deficit Reserve	1,476
Less Restricted Funds	(483)
= Unrestricted Reserves	993
Less net book value of properties held for the Charity's use	(1,328)
Available Reserves	(335)

The target level of reserves has been set at 6 months of core costs expenditure. This measure excludes expenditure on projects which have either been funded in advance or which will be funded by income to be received for each project. The budget for core costs expenditure for 2019/20 is £2.06m and the target level of reserves is £1.03m.

The completion of the sale of Hornsey Road for £2.2m in October 2019 made a net contribution to reserves post year end of £1.5m and therefore returned us to a position of net positive available reserves.

The reserves position is reviewed at each Council meeting and the policy reviewed once a year at the June Council meeting.

RISKS

Volunteering Matters' operating model is not without its risks and the top two are summarised below:

- As with many charities, the biggest risk facing Volunteering Matters is generation of income. We have developed a new business strategy based on our highest impact services and have identified new opportunities where we can add most value to commissioners. We have also engaged significant resource to drive new business to meet our growth targets.

FINANCIAL REVIEW

- ▶ The deficit on the closed defined benefit pension scheme remains a long term risk, but the charity has an agreed payment schedule with the London Borough of Islington which mitigates the short and medium term risk. The longer term risk will be assessed on receipt of the next triennial valuation from Islington Council in 2020. The Council's strategy is to fund the payments from operating activities.

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

GOING CONCERN

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

We are improving our resource planning and cost control which means that where potential shortfalls in working capital or reserves are identified, the executive leadership team is able to act more quickly to mitigate the impact.

In light of the strategic refresh as we come to the end of our existing strategic plan in 2019, and the increase in working capital from the sale of the Hornsey Road property the trustees consider that the organisation will be able to continue in operation beyond 12 months from the date of this report. The accounts are therefore appropriately prepared on the going concern basis.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Volunteering Matters was founded in 1962 as an unincorporated charity.

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

Volunteering Matters was set up under a Memorandum of Association which established the objects and powers of the organisation and is governed under its Articles of Association. The Council of Management of Volunteering Matters (the Council) comprises the charity's trustees and is responsible for the governance and establishment of operating policies across Volunteering Matters. The Council also has responsibility for the control and monitoring of the application of these policies. All the members of the Council are statutory directors and charity trustees. None of Volunteering Matters' statutory directors received any emoluments in respect of their services to the company (2018: £nil).

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

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

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

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

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

The following Council committees meet on a regular basis:

- ▶ The Audit Committee is responsible for ensuring that effective internal governance controls, processes and systems are in place, particularly in relation to legal, audit, financial and risk.
- ▶ The Finance and Investment Committee is responsible for maintaining oversight of our finances, financial strategy and investment policy.
- ▶ The Human Resources, Remuneration and Pension Committee is responsible for maintaining oversight and providing advice in relation to our human resources strategy, our pay and remuneration policy and our pension arrangements.
- ▶ The Income Generation, Marketing and Communications Committee is responsible for oversight of longer-term income generation and public affairs strategy, and act in an advisory capacity to provide introductions to contacts and networks.

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

The Executive Leadership Team comprises the Chief Executive, Chief Finance Officer, Director of Volunteering Delivery and the Director of Volunteering Strategy. Key management personnel comprise the Trustees and the Executive Leadership Team.

REMUNERATION POLICY AND OUR PENSION ARRANGEMENTS

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

The HR, Remuneration and Pensions Committee set and monitor our pay and reward strategy, remuneration reviews and all related policies. The organisation is committed to an equal pay policy to ensure staff pay reflects the skills and experience required to perform their roles to a high standard.

At the end of March we employed 121 FTE staff across the UK with a variety of skills, expertise and professional experience. Our aim is to recruit and retain high performing staff to achieve our strategic objectives and to be an employer of choice. Over the course of the year six members of staff in the Executive Leadership Team had earned at a rate of more than £60,000 per annum.

STATEMENT OF COUNCIL'S RESPONSIBILITIES

The Council (which comprises the directors of Volunteering Matters for the purposes of Company law and the Trustees for the purposes of charity law) are responsible for preparing this report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume the charitable company will continue in operation.

The Council are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

AUDITORS

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

The report of the trustees, which includes the strategic report, has been approved by the Council on 3rd December 2019 and signed on their behalf by:



Anne Heal, Chair

INDEPENDENT AUDITORS' REPORT TO THE COUNCIL AND MEMBERS OF VOLUNTEERING MATTERS

OPINION

We have audited the financial statements of Volunteering Matters for the year ended 31 March 2019 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including, Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- ▶ give a true and fair view of the charitable company's state of affairs as at 31 March 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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 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 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.

OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Council's Responsibilities set out on page 18, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

USE OF OUR REPORT

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



Liz Hazell, Senior Statutory Auditor

For and on behalf of:
Saffery Champness LLP
Chartered Accountants, Statutory Auditors,
71 Queen Victoria Street, London EC4V 4BE

Date: 4th December 2019

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



FINANCIAL STATEMENTS

VOLUNTEERING MATTERS (COMPANY LIMITED BY GUARANTEE, NUMBER 1435877)

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

For the year ended 31 March 2019		Unrestricted Funds	Restricted Funds	Total	Total
	Note	31 March 2019	31 March 2019	31 March 2019	31 March 2018
		£'000	£'000	£'000	£'000
INCOME FROM:					
Donations and legacies	2	77	202	279	180
Charitable activities	3	1,775	2,911	4,686	5,584
Property income		33	-	33	98
TOTAL INCOME		1,885	3,113	4,998	5,862
EXPENDITURE ON:					
Raising funds		259	-	259	281
Charitable activities	6	2,851	3,145	5,996	6,636
TOTAL EXPENDITURE	4	3,110	3,145	6,255	6,917
Net (expenditure) for the year	7	(1,225)	(32)	(1,257)	(1,055)
Transfer between funds	14	56	(56)	-	-
Other recognised gains/ (losses):					
Actuarial (loss)/gain on defined benefit pension schemes	18	(1,206)	-	(1,206)	2,285
NET MOVEMENT IN FUNDS		(2,375)	(88)	(2,463)	1,230
RECONCILIATION OF FUNDS / (DEFICITS):					
TOTAL (DEFICITS) / FUNDS B/F		(11,123)	571	(10,552)	(11,782)
TOTAL (DEFICITS) / FUNDS C/F	15	(13,498)	483	(13,015)	(10,552)


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

BALANCE SHEET

VOLUNTEERING MATTERS COMPANY LIMITED BY GUARANTEE, NUMBER 1435877

As at 31 March 2019		2019	2018
	Note	£'000	£'000
FIXED ASSETS			
Tangible assets	9	1,855	1,892
		1,855	1,892
CURRENT ASSETS			
Debtors	11	614	824
Cash at bank and in hand		41	988
		655	1,812
CREDITORS: amount falling due within one year	12	(1,017)	(1,040)
NET CURRENT (LIABILITIES)/ASSETS		(362)	772
TOTAL ASSETS LESS CURRENT LIABILITIES		1,493	2,664
Provision for liabilities	13	(17)	(116)
Net assets excluding pension liability		1,476	2,548
Defined benefit pension scheme liability	17	(14,491)	(13,100)
TOTAL NET LIABILITIES		(13,015)	(10,552)
THE FUNDS OF THE CHARITY:			
Restricted income funds	14	483	571
Unrestricted funds:			
Designated funds	14	1,328	1,365
General fund	14	(335)	612
Unrestricted funds excluding pension deficit reserve		993	1,977
Pension reserve	17	(14,491)	(13,100)
Total unrestricted accumulated deficits		(13,498)	(11,123)
TOTAL CHARITY ACCUMULATED DEFICITS	15	(13,015)	(10,552)

The financial statements were approved and authorised for issue by the Council on 4 December 2019 and signed on their behalf by:



Anne Heal, Chair & Council Member



David Wilkinson, Council Member

CASH FLOW STATEMENT

For the year ended 31 March 2019		Total Funds 2019	Total Funds 2018
		£'000	£'000
	Note		
Cash flows from operating activities:			
Net cash (used in) operating activities	A	(941)	(1,149)
Cash flows from investing activities:			
Purchase of property, plant and equipment		(6)	(16)
Net cash (used in) investing activities		(6)	(16)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(947)	(1,165)
Cash and cash equivalents at the beginning of the year		988	2,153
Use of overdraft at year end		(74)	-
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		(33)	988

Note A

Reconciliation of cash flows from operating activities	2019	2018
	£'000	£'000
Net (expenditure) for the year (per the statement of financial activities)	(1,257)	(1,055)
Adjustments for:		
Depreciation charges	43	84
Pension cost adjustment	185	227
Decrease / (Increase) in debtors	210	(124)
(Decrease) in creditors	(122)	(281)
Net cash (used in) operating activities	(941)	(1,149)
Analysis of cash and cash equivalents		
Cash in hand	41	988
Overdraft repayable on demand	(74)	-
Total cash and cash equivalents	(33)	988

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

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

1. ACCOUNTING POLICIES

a) Basis of preparation of financial statements

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

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

b) Going concern

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

We are improving our resource planning and cost control which means that where potential shortfalls in working capital or reserves are identified, the executive leadership team is able to act more quickly to mitigate the impact.

In light of the strategic refresh as we come to the end of our existing strategic plan in 2019, and the increase in working capital from the sale of the Hornsey Road property the trustees consider that the organisation will be able to continue in operation beyond 12 months from the date of this report. The accounts are therefore appropriately prepared on the going concern basis.

c) Income

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

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

Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that the conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions the incoming resource is deferred.

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

Gifts in kind by way of donated services are recognised as an incoming resource where the provider of the service has incurred a financial cost. Donated services are recognised on the basis of the value to the charity, which is the amount the charity would have been willing to pay to obtain services of equivalent economic benefit in the open market. A corresponding amount is then recognised in expenditure in the period of receipt.

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

d) Fund accounting

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

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

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

Transfers are made from unrestricted to restricted funds to cover any overspends on restricted projects during the period where the cost will not be met by the funder. Transfers between restricted funds and from restricted to unrestricted funds are made with the consent of the funder.

e) Resources expended

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

Grants payable are charged to the Statement of Financial Activities in the period in which the offer is conveyed to the recipient except for conditional offers, when the grant is recognised as expenditure on fulfilment of the conditions.

Support costs (which include governance costs) are allocated based on a percentage of income as agreed with the funder of each project.

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

f) Tangible fixed assets and depreciation

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

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. Freehold Land is not depreciated. The depreciation rates in use are as follows:

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

Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value or value in use.

g) Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the minimum lease term.

h) Pension benefits

The charity participates in a defined contribution pension scheme (Pensions Trust's Flexible Retirement Scheme). The charity's contributions are charged to the Statement of Financial Activities during the period in which the employee is an active member of the scheme. Participation within this scheme is available to all current and future employees. The charity also provides retirement benefits to past and certain current employees through the Local Government Pension Scheme ('LGPS') operated by the London Borough of Islington. This is a defined benefit scheme which closed to new members on 3 April 2009 and to future accrual on 4 May 2015.

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

Actuarial gains and losses are recognised immediately in Other recognised gains and losses.

i) Provisions

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

j) Irrecoverable VAT

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

k) Financial instruments

Volunteering Matters only has financial instruments and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement amount with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method. Financial assets include debtor balances except prepayments as shown at Note 11 to the financial statements. Financial liabilities include all creditor balances except deferred income, tax and social security as shown at Note 12 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES CONTINUED

l) Key estimates and assumptions

The preparation of the financial statements requires judgements, estimations and assumptions to be made that affect the reported values of assets, liabilities, revenues and expenses. The nature of estimation and judgement means that the actual outcomes could differ from expectations. The significant area of estimation and judgement is the discount rate used by the actuary in determining our pension liabilities as reported in Note 17 to these Financial Statements.

2. DONATIONS AND LEGACIES

	31 March 2019	31 March 2018
	£'000	£'000
Individual and company donations	77	89
Trusts and foundations	202	91
	<u>279</u>	<u>180</u>

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	31 March 2019	31 March 2019	31 March 2019	31 March 2018
	Unrestricted	Restricted	Total	Total
	£'000	£'000	£'000	£'000
National Grants including BLF and PPL	541	577	1,118	1,613
Learning	3	-	3	206
Central Government	-	106	106	243
Local Government	340	1,467	1,807	1,709
European funding	-	268	268	282
Trusts and Foundations (grants)	321	349	670	562
Employee Volunteering	570	-	570	745
Other public sector (see note below)	-	144	144	224
	<u>1,775</u>	<u>2,911</u>	<u>4,686</u>	<u>5,584</u>

Other public sector includes £83,165 (2018: £58,000) of donated facilities and services.

Donated facilities and services mainly comprise office space, utility charges and equipment and were applied towards Social Action Volunteering projects.

NOTES TO THE FINANCIAL STATEMENTS

4. TOTAL RESOURCES EXPENDED

	Cost of raising funds	Charitable activities	Governance	Support costs	31 March 2019	31 March 2018
	£'000	£'000	£'000	£'000	£'000	£'000
Staff costs (Note 8)	230	2,749	37	1,534	4,550	5,003
Depreciation (Note 9)	-	4	-	39	43	84
Auditors' remuneration	-	-	34	7	41	32
Premises costs	-	346	-	-	346	344
Grants paid (note 5)	-	43	-	-	43	46
VAT irrecoverable	-	-	-	(20)	(20)	(30)
Volunteers' allowances/expenses	-	190	-	1	191	230
Trainee costs and allowances	-	5	-	-	5	17
Donated facilities and services	-	83	-	-	83	58
Travel and subsistence	3	149	-	25	177	245
Promotion, publicity and marketing	1	5	-	16	22	45
Legal, professional & consultancy	-	52	-	127	179	287
Other costs	25	403	2	165	595	556
	259	4,029	73	1,894	6,255	6,917
Support and governance costs	-	1,967	(73)	(1,894)	-	-
Total resources expended	259	5,996	-	-	6,255	6,917

Note: Support costs comprise operational costs, IT and other administrative costs. The total governance costs includes a proportion of support costs. The Auditors' fees includes both external and internal audit fees. VAT is charged gross within the accounts and what is recovered is shown as a credit.

5. GRANTS PAID

	Total 31 March 2019 £'000	Total 31 March 2018 £'000
Action Earth Community based projects payable to organisations	43	46
	43	46
Grants paid to organisations during the year were paid as follows:	No.	No.
Number of individual grants less than £2,000	142	169
	142	169

NOTES TO THE FINANCIAL STATEMENTS

6. ANALYSIS OF INCOME AND EXPENDITURE BY ACTIVITY

	Income	Direct costs	Support costs	Net expenditure	
				31 March 2019	31 March 2018
	£'000	£'000	£'000	£'000	£'000
Social Action Volunteering	2,799	(2,667)	(677)	(545)	(378)
Learning	-	-	-	-	(71)
European activities	177	(177)	-	-	-
Employee Volunteering	756	(574)	(123)	59	49
Net Core costs	1,266	(2,498)	800	(432)	(279)
Defined benefit pension scheme adjustments	-	(339)	-	(339)	(376)
Total	4,998	(6,255)	-	(1,257)	(1,055)

7. NET EXPENDITURE FOR THE YEAR

This is stated after charging:	31 March 2019	31 March 2018
	£'000	£'000
Depreciation	43	84
Auditors' remuneration (see below):	34	32
Operating lease rentals: Property	228	248

During the period, 2 Council members (2018: 4) received reimbursement of travel & subsistence expenses of £646 (2018: £1,476). No remuneration was paid to any member of the Council (2018: nil). Trustees' indemnity insurance was been taken out at a cost of £1,800. (2018: £1,485).

Auditors' remuneration (excluding VAT)	31 March 2019	31 March 2019
	£'000	£'000
External audit	17	17
Additional fees re prior year	9	-
Non audit services	4	3
Internal audit	-	12
	30	32

NOTES TO THE FINANCIAL STATEMENTS

8. STAFF NUMBERS AND COSTS

	31 March 2019	31 March 2018
	£'000	£'000
Wages and salaries	3,673	4,108
Redundancy/Compensation costs	107	37
Social security costs	336	374
Defined contribution pension scheme costs	95	108
Defined benefit pension scheme adjustments	339	376
	4,550	5,003

Total pension cost charges to expenditure £434k (2018: £484k).

Salaries and wages include agency fees incurred by Volunteering Matters of £26,018 (2018: £12,394).

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

	31 March 2019	31 March 2018
Number of staff earning more than £60,000:	No.	No.
Number of employees receiving £90,001- £100,000	1	1
Number of employees receiving £80,001- £90,000	-	1
Number of employees receiving £70,001- £90,000	-	1
Number of employees receiving £60,000- £70,000	2	3

The employer's current service pension contribution for staff earning over £60,000 was £9,710 (2018: £11,117). The employer's current service pension contribution for the highest paid member of staff was £2,838 (2018: £2,838).

The total employee benefits received by the charity's key management personnel was £340,456 (2018: £394,947).

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

	Head count		Full time equivalents	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	No.	No.	No.	No.
Charitable activities	144	166	119	143
Fundraising	6	8	6	8
Governance	1	1	1	1
	151	175	126	152

NOTES TO THE FINANCIAL STATEMENTS

9. TANGIBLE FIXED ASSETS

	Freehold & Long Leasehold properties	Plant and equipment	Motor Vehicles	Total 2019
Cost	£'000	£'000	£'000	£'000
At 1 April 2018	2,361	2,196	31	4,588
Additions	-	6	-	6
Disposals/write offs*	-	(1,803)	(31)	(1,834)
At 31 March 2019	2,361	399	-	2,760
Depreciation				
At 1 April 2018	483	2,182	31	2,696
Charge for the period	37	6	-	43
Disposals/write offs*	-	(1,803)	(31)	(1,834)
At 31 March 2019	520	385	-	905
Net book value				
At 31 March 2019	1,841	14	-	1,855
At 31 March 2018	1,878	14	-	1,892

Disposals/write offs*

Following a full asset review all fully depreciated assets which are no longer in use have been treated as deemed disposal.

In the view of the Trustees, the aggregate market value of the freehold properties owned by Volunteering Matters was significantly in excess of the total net book value shown in these accounts.

Details of Freehold & Long Leasehold properties at 31 March 2019

	At cost £'000
18-24 Lower Clapton Road, Hackney, London, E5 0PD (999 year lease expiring in 2994)	1,639
The Derek Higgins Training Centre, 179 Hornsey Road, Islington, London, N7 6RA (Freehold / 999 year lease expiring in 2987)*	722
Total	2,361

Post balance sheet event re disposal

The property at Hornsey Road was disposed of post year end for £2.2m which generated a significant surplus over book value.

10. ASSOCIATE UNDERTAKINGS

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

NOTES TO THE FINANCIAL STATEMENTS

11. DEBTORS

	31 March 2019	31 March 2018
	£'000	£'000
Trade debtors	246	470
Prepayments	123	79
Accrued income	245	275
	<u>614</u>	<u>824</u>

Volunteering Matters pursues an active debt recovery process and the majority of trade debtors and accrued income was received before the signing of the accounts. The Prepayments are expenses incurred in relation to the expected sale of the freehold property no longer required to deliver our charitable aims.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 March 2019	31 March 2018
	£'000	£'000
Bank overdraft	74	-
Trade creditors	120	136
Social security and other taxes	172	170
Accruals and other creditors	85	101
Deferred income (see below)	566	633
	<u>1,017</u>	<u>1,040</u>

The bank overdraft is secured by a legal charge over the Levy Centre.

Deferred income

Balance b/f	633	736
Amount released to incoming resources	(633)	(736)
Amount deferred in the period	<u>566</u>	<u>633</u>
Balance c/f	<u>566</u>	<u>633</u>

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

13. PROVISIONS FOR LIABILITIES AND CHARGES

	Brought forward	Decrease	Carried forward
	£'000	£'000	£'000
Deferred income			
Dilapidations	(116)	99	(17)
	<u>(116)</u>	<u>99</u>	<u>(17)</u>

The dilapidations provision is an estimate of work needed to reinstate the one remaining leased office premises when the lease of that building comes to an end in 2019/20.

NOTES TO THE FINANCIAL STATEMENTS

14. STATEMENT OF FUNDS 2018/19

	Brought forward	Incoming resources	Resources expended	Transfers	Other gains/ (losses)	Carried forward
	£'000	£'000	£'000	£'000	£'000	£'000
SUMMARY OF FUNDS						
Unrestricted funds:						
Designated funds	1,365	-	-	(37)	-	1,328
General fund	612	1,885	(2,888)	56	-	(335)
Total unrestricted fund before pension deficit	1,977	1,885	(2,888)	19	-	993
Less pension deficit	(13,100)	-	(185)	-	(1,206)	(14,491)
Restricted funds	571	3,113	(3,145)	(56)	-	483
	(10,552)	4,998	(6,218)	(37)	(1,206)	(13,015)

Restricted funds represent balances, none of which are considered to be material individually, in respect of many on-going projects where funds are shortly to be applied, having been restricted by the terms of the funding agreements. The transfer between funds is a result of projects either finishing in year and being delivered within the funding available or where it has been decided to deliver the service more strategically across the organisation thus benefitting a greater audience than being restricted to individual projects. This provides longer term sustainability for the delivery of the volunteering activities.

STATEMENT OF FUNDS 2017/18

	Brought forward	Incoming resources	Resources expended	Transfers	Other gains/ (losses)	Carried forward
	£'000	£'000	£'000	£'000	£'000	£'000
SUMMARY OF FUNDS						
Unrestricted funds:						
Designated funds	1,402	-	-	(37)	-	1,365
General fund	569	2,685	(2,943)	301	-	612
Total unrestricted fund before pension deficit	1,971	2,685	(2,943)	264	-	1,977
Less pension deficit	(15,158)	-	(227)	-	2,285	(13,100)
Restricted funds	1,405	3,243	(3,813)	(264)	-	571
	(11,782)	5,928	(6,983)	-	2,285	(10,552)

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS 2018/19

	Restricted funds	Unrestricted funds	Total funds
	£'000	£'000	£'000
Tangible fixed assets	-	1,855	1,855
Net Current Assets	483	(845)	(362)
Provisions, long-term liabilities and pension liabilities	-	(14,508)	(14,508)
Net assets/(liabilities) at the period end	483	(13,498)	(13,015)

NOTES TO THE FINANCIAL STATEMENTS

ANALYSIS OF NET ASSETS BETWEEN FUNDS 2017/18

	Restricted funds	Unrestricted funds	Total funds
	£'000	£'000	£'000
Tangible fixed assets	-	1,892	1,892
Net Current Assets	571	201	772
Provisions, long-term liabilities and pension liabilities	-	(13,216)	(13,216)
Net assets/(liabilities) at the period end	571	(11,123)	(10,552)

16. OPERATING LEASE COMMITMENTS

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

	2019 Land and buildings £'000	2018 Land and buildings £'000
Not later than one year	83	61
Later than one year but not later than five years	-	10
	83	71

17. PENSION CONTRIBUTIONS AND COMMITMENTS

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

Employer contributions of £154,000 (2018: £149,000) were made to the London Borough of Islington defined benefit pension scheme following the decision taken by the Trustees on 9 February 2015 to close this scheme to future accruals.

Volunteering Matters is an admitted member of the London Borough of Islington defined benefit pension scheme. The disclosures set out below are based on the financial data supplied by Mercers, the Actuary to the London Borough of Islington. A triennial actuarial valuation of the Scheme is being carried out at 31 March 2019. However, the results of this will not be available until early 2020 so those results from 31 March 2016 are still used as the last triennial valuation at the time of production of these accounts.

Further details of the Scheme are shown below.

The actuarial valuation of the Scheme, the part relating to Volunteering Matters, was updated at 31 March 2019 by a qualified actuary using assumptions that are consistent with the requirements of FRS102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Investments have been valued for this purpose at market value by the actuary. The major assumptions used for the valuation were:

	2019 %	2018 %
Discount rate	2.4	2.6
Inflation (CPI)	2.2	2.1
Salary increases	3.7	3.6
Increases to pension in payment	2.3	2.2
Life expectancy current pensioner age 65 male	23.1	23.1
Life expectancy current pensioner age 65 female	26.3	26.12
Life expectancy pensioner age 65 male 20 years' time	25.3	25.12
Life expectancy pensioner age 65 female 20 years' time	28.6	28.5

NOTES TO THE FINANCIAL STATEMENTS

17. PENSION CONTRIBUTIONS AND COMMITMENTS CONTINUED

The Charity's Scheme value of assets, and the present value of liabilities and the expected rate of return at 31 March 2019 were:

	2019 Value of assets £'000	2018 Value of assets £'000
Equities	25,605	24,827
Other bonds	6,889	8,276
Property	8,837	6,098
Cash/liquidity	227	-
Other	3,762	4,356
Total fair value of assets	45,320	43,557
Present fair value of funded benefit obligations	(59,811)	(56,657)
Deficit	(14,491)	(13,100)
Components of pension cost	2019 £'000	2018 £'000
Interest on pension liabilities	(1,455)	(1,446)
Interest on plan assets	1,116	1,070
Total pension cost charged to expenditure	(339)	(376)
Change in benefit obligation	2019 £'000	2018 £'000
Benefit obligation at beginning of period	(56,657)	(58,384)
Interest on pension liabilities	(1,455)	(1,446)
Actuarial (losses)/gains	(3,096)	2,044
Benefits/transfers paid	1,397	1,129
	(59,811)	(56,657)
Change in plan assets	2019 £'000	2018 £'000
Fair value of Scheme assets at beginning of period	43,557	43,226
Expected return on plan assets	1,116	1,070
Actuarial gains/(losses)	1,890	241
Employer contributions	154	149
Benefits/transfers paid	(1,397)	(1,129)
	45,320	43,557
Statement of actuarial gains/(losses)	2019 £'000	2018 £'000
Change in benefit obligation	(3,096)	2,044
Change in plan assets	1,890	241
Net (loss)/gain	(1,206)	2,285

NOTES TO THE FINANCIAL STATEMENTS

17. PENSION CONTRIBUTIONS AND COMMITMENTS CONTINUED

Amounts for the current and previous periods are as follows:

	2019	2018
	£'000	£'000
Benefit obligation	(59,811)	(56,657)
Scheme assets	45,320	43,557
Deficit	<u>(14,491)</u>	<u>(13,100)</u>
Experience adjustment on Scheme assets	1,890	241
Experience adjustment on Scheme liabilities	<u>-</u>	<u>-</u>

18. RELATED PARTIES

Brian Smouha, Trustee, is a trustee of the Coalition for Efficiency which is working with Volunteering Matters on a joint programme called Measuring the Good. There were financial transactions between Volunteering Matters and the Coalition for Efficiency to the value of £2,655 relating to 2018/19 (2018; £1,475). There were no other related party transactions during the year.

19. STATEMENT OF FINANCIAL ACTIVITIES FOR THE PERIOD ENDED 31 MARCH 2018

	Unrestricted funds	Restricted funds	Total to 31 March 2018
	£'000	£'000	£'000
INCOME FROM:			
Donations and legacies	89	91	180
Charitable activities	2,432	3,152	5,584
Property income	98	-	98
TOTAL INCOME	<u>2,619</u>	<u>3,243</u>	<u>5,862</u>
EXPENDITURE ON:			
Raising funds	281	-	281
Charitable activities	2,823	3,813	6,636
TOTAL EXPENDITURE	<u>3,104</u>	<u>3,813</u>	<u>6,917</u>
Net expenditure for the year	(485)	(570)	(1,055)
Transfers between funds	264	(264)	-
Other recognised gains:			
Actuarial gain on defined benefit pension schemes	2,285	-	2,285
NET MOVEMENT IN FUNDS	<u>2,064</u>	<u>(834)</u>	<u>1,230</u>
RECONCILIATION OF FUNDS:			
TOTAL FUNDS / (DEFICITS) B/F	(13,187)	1,405	(11,782)
TOTAL FUNDS / (DEFICITS) C/F	<u>(11,123)</u>	<u>571</u>	<u>(10,552)</u>

OUR PARTNERS

THANKS TO OUR FUNDING PARTNERS

THANKS TO THE GENEROSITY OF OUR DONORS, HUNDREDS OF COMMUNITIES HAVE BENEFITED FROM THE IMPACT AND SUPPORT OF OUR VOLUNTEERS

Every donation we receive allows our volunteers to do all sorts of amazing things for their community. Thanks to the generosity of our donors, hundreds of communities have benefited from the impact and support of our volunteers up and down the country.

For example, we would like to thank The Masonic Charitable Foundation who have pledged to support care leavers in Milton Keynes for three years: The Gannochy Trust, The RS Macdonald Trust, The Robertson Trust and The Volant Charitable Trust whose commitment is helping volunteer befrienders to improve children's lives in Clackmannanshire. We'd also like to thank Players of People's Postcode Lottery, whose generosity is helping to combat loneliness and social isolation for so many of our older volunteers and beneficiaries across the country and City Bridge Trust whose belief has engaged young disabled people in volunteering and mentoring support.

These are just a few examples of the difference our donors make. Our deepest and heartfelt thanks goes to everyone who has supported us in 2018/19; your benevolence makes a huge difference to the lives of our volunteers, those they have helped and wider society. Thank you.

- ▶ BBC Children in Need
- ▶ Brighton and Hove City Council
- ▶ Bristol City Council
- ▶ City Bridge Trust
- ▶ Garfield Weston Foundation
- ▶ Give More Get More Fund, a fund from innovation foundation Nesta and the Office for Civil Society
- ▶ Heathrow Community Fund
- ▶ Intermediate Care Fund - Cwm Taf Health and Social Care
- ▶ Kent County Council
- ▶ London Borough of Brent
- ▶ London Borough of Hackney
- ▶ London Borough of Hounslow
- ▶ Newcastle City Council
- ▶ Newport City Council
- ▶ Pembrokeshire Association of Voluntary Services (PAVS)
- ▶ Peacock Charitable Trust
- ▶ Pembrokeshire County Council
- ▶ Players of People's Postcode Lottery, awarding funds from Postcode Support Trust
- ▶ Police and Crime Commissioner for Gwent
- ▶ Royal Borough of Greenwich
- ▶ South Gloucestershire Council
- ▶ Southend-on-Sea Borough Council
- ▶ Suffolk Community Foundation
- ▶ Suffolk County Council
- ▶ Tampon Tax Fund from Welsh Government
- ▶ The Gannochy Trust
- ▶ The Jecda Foundation
- ▶ The Levy Family Foundation
- ▶ The National Lottery Community Fund
- ▶ The National Lottery Community Fund Wales
- ▶ The Nesta Second Half Fund, which is supported and funded by the Department for Culture, Media and Sport through the Office for Civil Society
- ▶ The Robertson Trust
- ▶ The Roger De Haan Charitable Trust
- ▶ The Royal British Legion
- ▶ The RS MacDonald Charitable Trust
- ▶ The Volant Charitable Trust
- ▶ Together for Short Lives
- ▶ Union Developments
- ▶ Voluntary Action Merthyr Tydfil (VAMT)
- ▶ Wales Council For Voluntary Action (WCVA)
- ▶ Welsh European Funding Office (WEFO)
- ▶ Welsh Government
- ▶ Wiltshire Council
- ▶ Zurich Community Trust



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ALL HUMAN**



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