

Company Registration No. 1435877
Charity Registration No. SC039171 (Scotland)
Charity Registration No. 291222 (England & Wales)

Volunteering Matters

**Annual report and financial statements
for the year ended 31 March 2023**

Volunteering Matters

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Volunteering Matters

About Us

President	Lord Freud
Trustees	Anne Heal Simon Judge Julie Kirkbride Katrina Lambert Sue Maskrey Zara Todd Craig Hamilton Julie-Anne Jamieson Pru Whitwell Katie Farrington (appointed 8 February 2023) Lanai Collis-Phillips (appointed 14 February 2023) Sacha Tokhmeh Foroush Hamed (appointed 28 February 2023) Moawia Bin-Sufyan (appointed 28 September 2023) Michael Abrahams (appointed 8 February 2023, resigned 22 March 2024) Andrew Hudson (resigned 28 September 2023) Patrick Luong (resigned 8 March 2023) Martin Fleming (resigned 12 October 2023)
Company Registration No.	1435877
Charity Registration No.	SC039171 (Scotland)
Charity Registration No.	291222 (England & Wales)
Company Secretary	Paul Reddish (resigned 31 December 2023) Amanda Naylor (appointed 1 January 2024)
Principal Address	Volunteering Matters The Levy Centre 18-24 Lower Clapton Road London E5 0PD
Independent Auditor	Saffery LLP Edinburgh Quay 133 Fountainbridge Edinburgh EH3 9BA

Volunteering Matters
For the year ended 31 March 2023
Chair of Council Report

The challenges that have beset charitable organisations in the UK have continued into the current year. The rising cost of living, the complexities of adapting to new working practices in a post-COVID-19 world, and ongoing fiscal challenges facing our country have tested our sector's strength and resilience. Yet, in the face of these trials, I am immensely proud of the work the Volunteering Matters team do to empower and support communities throughout the UK.

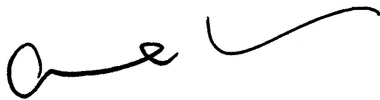
Faced with this situation, our charity took proactive steps to secure our sustainability as have so many others. This involved a concerted effort to reduce overheads. Regrettably, this initiative necessitated a staffing restructure, leading to a need to reduce our operations.

Our commitment to delivering a diverse range of projects across England, Scotland, and Wales remains unwavering. We remain committed to continuing making an impact on the lives of those we serve and we continue to weather the challenges that the economic environment presents us with.

I can assure you that we will continue to focus our efforts on building support and resilience for our volunteers and the communities they support.

I extend my gratitude to all our President Lord Freud, Trustees, staff, volunteers, donors, and funders who have continued to support us in these challenging times. Your belief in our mission is what fuels our commitment to making a real and positive difference in the communities we serve.

We are more determined than ever to adapt to an ever-changing world, overcome challenges, and deliver meaningful impact. With your continued support, we look forward to a brighter, more hopeful future for communities in the UK.



Anne Heal

Chair of Trustees

As the newly appointed CEO of Volunteering Matters in January 2024, I am in the position of authoring a report for a time period that was led by my predecessor, Paul Reddish OBE. This period post Covid, with the impact of cost of living and austerity that followed, continued to be turbulent and exceptional in the landscape that emerged and required agile leadership and difficult decisions.

Exceptional circumstances require exceptional levels of commitment and energy that cannot be sustainable for the sector, its staff, volunteers and the communities we work alongside in the long term; but for yet another year the amazing team at Volunteering Matters did exactly that.

The year from a financial point of view, was very difficult to navigate with lots of uncertainty, including the Cost of Living crisis causing unexpected rises in costs, Local Authority budget cuts that reduced grant sizes (or remained the same) whilst expenditure to deliver these vital programmes of work soared. Alongside this the organisation experienced delays to various statutory funds, this caused a huge squeeze on cashflow and budget, which led to widespread restructuring in year.

Interestingly, it wasn't all hardship - the turbulent economic conditions did create an unusual one-off opportunity. For the first time in decades, our LGPS pension scheme was favourable to exit, having carried significant deficits on our balance sheet for many years. In February 2023, the organisation took the decision to exit the scheme, leaving it free from any further debt or liability. This has resulted in the charity's balance sheet looking healthier, in spite of the medium-term challenges posed by multi-year budget deficits and ongoing cost of living challenge.

However, 2022/23 year ended in a deficit position with the organisation dipping further into reserves, whilst working to develop a plan that provided a level of financial security and stability. There is still a considerable amount of work to do in that space with some further cost saving activity to undertake.

In terms of the need for Volunteering Matters services and the impact of the work, the need for communities to pull together in support of each other has never had more relevance, and by proxy nor has Volunteering Matters. It is an essential part of the fabric of the UK, and the team of dedicated individuals who are working alongside our communities in England, Scotland and Wales, have demonstrated dedication, compassion and skill that has improved life outcomes particularly for those most under served in society.

There is so much to be proud of, from our award winning Grandmentors programme, to the ongoing success and growth of the #iwill movement, and our exciting collaboration with NCVO, NAVCA, Sport England and DCMS on the Vision for Volunteering for England. The work we do is impactful, rich and varied and provides real solutions to the challenges faced in communities and by gaps in statutory services.

I know that Paul was hugely proud of all the charity had achieved, and what he had been able to contribute as CEO, and he would join me in saying a huge thank you to all our volunteers and funders, who without your generosity over the last few years, we would not be who we are today. You continue to inspire and are a credit to the communities of the UK.

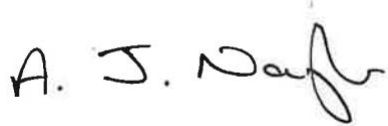
Despite the amazing work that Volunteering Matters has delivered, as CEO I have inherited an organisation that has some sizeable and long-standing gaps that need to be addressed quickly if we are to survive and continue to deliver impact into future years. A more agile response to contract wins and losses is necessary to ensure that income and expenditure remains in line across the year. More cost saving activity is planned to bring central costs down whilst also finding new mechanisms to support projects to maintain delivery of their work in an impactful and safe way. We are reviewing our

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need for offices and are exploring how we maximise use of the Levy Centre to help us generate income to offset its costs. After changing financial systems mid-year in 22/23 we have not fully maximised the reporting functions of the system, and this is priority to ensure that we are live to any changes in forecasts and can respond accordingly. We also aim to expand our work in the corporate sector to help us build back reserves that have been substantially depleted.

However, with some strong contract wins at the beginning of 24/25, a talented workforce and quality delivery of projects, I believe we have the right ingredients to build back and create a more stable financial position and begin to improve our reserves in coming years.

The next 12 months will be a critical time for the charity and will require authentic and forward-thinking leadership, with practical approach to challenges that undoubtedly will come our way. This charity has worked alongside and served communities in the most innovative and empowering of ways for the last 60 years and we will work tirelessly to ensure that its legacy and ongoing impact continues.

A handwritten signature in black ink, appearing to read 'A. J. Naylor'.

Amanda Naylor OBE

Chief Executive Officer

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Trustee's Annual Report

We are pleased to present our Trustees report including the Strategic Report for the year ended 31st March 2023.

Our Aims and Objectives

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

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

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

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

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

Achievements and Performance

At Volunteering Matters we bring people together to overcome some of society's most complex issues through the power of volunteering. This builds stronger communities and enables everyone to thrive. We work with local partners, turning local knowledge and energy into action and progress. And because we are a national charity, we do this at scale.

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

We believe that communities have the power, knowledge and energy to improve themselves from within and that we are most effective when we work with people, not on their behalf – and we achieve this with local partners.

Social action involves people coming together to improve their lives and solve the problems that are important in their communities. At Volunteering Matters, this is through volunteering, community organising and simple neighbourly acts. In doing so, the projects work towards the following aims:

- Reduce social isolation and loneliness
- Improve mental and physical health
- Build skills, confidence and opportunity
- Ensuring young people can lead change.

The Future of Volunteering

We advocate for an equitable future for volunteering. We are a proud partner of The Vision for Volunteering, which aims to create a diverse, innovative, ambitious, equitable and person-centred outlook for volunteering.

In Scotland, we strongly support The Volunteering Action Plan which aims to create a Scotland where everyone can volunteer, more often, and throughout their lives.

We are a signatory and advocate of the Power of Youth Charter, an expression of the power young people have to lead positive change.

Our Impact

In 2022-23, we continued to grow our impact culture across the organisation, using the skills within the core of the organisation to devolve impact into the hands of those that know it best - our volunteers and delivery teams.

We have continued to build our Impact infrastructure, building and implementing our Impact Tracker across our mentoring projects.

Our approach to growing an impact culture has resulted in more sustained measurement of impact across our projects and further place-based impact reports produced for projects that range greatly in their size, scope, issues and geographies.

Alongside this we have again produced overarching organisational impact reports – one for our Grandmentors programme and an overarching Annual Impact Report for our activity across England, Scotland and Wales.

Highlights from our Annual Impact Report are detailed below:

Key Statistics

8,652 people volunteered and made a difference in their community, across England, Scotland and Wales, across 156 projects

18,360 people were supported by volunteers

In England 1,497 volunteers made a difference and supported 9,138 people

In Scotland 3,745 volunteers made a difference and supported 1,766 people

In Wales 321 volunteers made a difference and supported 2,119 people

3,089 volunteers made a difference and supported 5,337 people in our nationally delivered programmes.

Our Place Based Approach in England, Scotland and Wales

In Ipswich, through Youth Switching on Ipswich – A Youth Social Action group of 12 Youth Ambassadors, aged 15-19, have created a series of Hackathons to bring people together to explore innovative ideas for change. This includes an event focusing on young peoples' points of transition in their lives involving commissioners and change makers in Education and Public Services across

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Ipswich. The #iwill Movement and Volunteering Matters worked in collaboration with the Youth Ambassadors to put the youth voice at the heart of decisions being made in the town.

Young people created a programme for children transitioning to high school. This is part of Ipswich Borough Council's Annual Community Safety Programme for all schools in Ipswich.

1,400 young people completed the programme, which also included material to support teachers with tricky conversations that may occur after the workshops.

In Norfolk, through Match and Mentor, adults with learning disabilities and other support needs undertook volunteering opportunities and other social activities in their local community. Supported volunteering placements at community cafes, charity shops and local allotments, enables the adults with learning disabilities to make a difference in their community in the areas they care about. At the same time creating environments in which everybody in the community can learn from each other.

19 Volunteers supported 38 people to volunteer and take part in social activities

In Warwickshire, through Connect+Go our volunteer transport service has reduced loneliness and isolation in the community of Warwickshire. Funded by the Department of Transport, the project runs hand in hand with our Grandmentors project supporting young people in care from Warwickshire Council's Asylum and Leaving Care team. Using our energy efficient mini-bus, Connect+Go volunteers drive people to social and educational events, which helps to increase their community inclusion and well-being. Asylum seekers, refugees and care leavers regularly use the service which prevents them from becoming isolated.

Connect+Go had 1,418 passengers. Volunteer drivers made 2,832 single trips to 279 destinations

In London, through our London Young Ambassadors (YLA) programme, and with support from the Greater London Authority and the #iwill Fund, we partnered with schools across London so that students could design and deliver their own social action projects over a 6-week period.

We focused on Alternative Provision schools and Special Educational Need and Disabilities (SEND) schools as young people from lower socio-economic backgrounds and with disabilities are less likely to have access to meaningful social action activities.

The young people undertook social action on topics of importance to them. In doing so meeting and interacting with new people they would not otherwise have. They are also become more active in their local communities.

Through this project we engaged 33 Schools across 22 London Boroughs involving 294 young people

In Dundee and Edinburgh, The Inspire Project provided support to New Scots aged 16-35 by offering supported volunteering opportunities, mentoring relationships and employability skills development. Refugees and asylum seekers were supported to integrate into their local community, build personal, professional networks and develop skills and confidence to support them in their journey.

A true community focused project, Inspire fostered collaboration with local partners. 38 people have been supported by Inspire and 15 Charity partners host volunteering placements.

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In Blaenau Gwent and Flintshire, a new project was launched for volunteers aged 50+ The volunteer-led activities now undertaken are based on needs identified by the local community. The activities take advantage of volunteers' skills and experience whilst promoting social inclusion.

The project includes a volunteer-led knitting group. The knitting group meets every week, with a passionate, committed core of volunteers and others joining less regularly. The Lunch Cub meets weekly.

This project is already going from strength to strength, including a partnership with United Welsh housing to develop volunteer activities to support their most isolated residents. Volunteers have also begun helping pupils of Ebbw Fawr Learning Community (primary school), encouraging them to read and building their reading ability and confidence.

23 volunteers have used their skills and experience to support others and increase social inclusion.

National Programmes with a Local Focus

Through The Grandmentors Programme, care experienced young people have again this year been supported to be autonomous, capable, and empowered adults. A mentor is typically aged 50 years or over and a mentee is a young person typically aged 16-24. This programme recruits older volunteers who use their life experience and skills to provide emotional and practical support to young people transitioning from the care system to independent living. Now operating in 14 places, 188 Care Experienced Young People were successfully matched and 120 Mentee Relationships ended successfully.

Through Family Mentors and Family Supporters, across four places, Volunteering Matters works with families involved with social services. Volunteers are trained and supported by staff, before providing tailored weekly support to the family, empowering the family to be self-sufficient, de-escalated from their child protection plans and to set and reach their own goals. 750 family members were supported by 189 volunteers.

The #iwill Movement

The #iwill Movement aims to make participation in social action - volunteering, fundraising, mentoring and campaigning - the norm for young people aged 10 to 25 years old. In doing so, amplifying their voices to take an active role in transforming their communities. The #iwill Movement has an impact both within communities and within the young people themselves.

To celebrate the 10-year landmark, and to co-launch the new partnerships structure for the movement, we hosted the first #iwill Movement Assembly in November, at the House of Commons, during November's #iwill week.

Between April to September, 405 young people registered as #iwill Champions.

70 new organisations signed up to the Power of Youth Charter. To date, 341 organisations have signed the Charter.

63 new Ambassadors were recruited in July, making a total of 330 Ambassadors.

Retired and Senior Volunteers Programme (RSVP)

Running for over 32 years, The Retired and Senior Volunteer Programme (RSVP) continues to provide volunteering opportunities primarily for the 50+ age group to use their skills and experience by

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volunteering for the benefit of their local communities. The Project Organisers are themselves volunteers – developing and managing local projects, utilising their life experience and local knowledge. In essence RSVP provides important community action whilst the volunteers themselves also report benefits to their own health and well-being.

1,083 people aged 50+ made a difference in their communities through the RSVP Programme.

In October, RSVP West's Volunteer Regional Coordinator, Bob Maggs, was recognised at the BBC Make A Difference Awards.

FINANCIAL REVIEW

Results for the year 2022/23 results reflect what has been a turbulent time within the sector. The underlying operating and financial model of the charity continues to be challenging.

The year 2022/23 was one of our most challenging yet. We had expected further growth in income through various local authority contracts, which were delayed for a variety of reasons. Much of this was linked to the relative turmoil affecting our statutory partners at national and local level, leading to significant delays in decision making or to budget cutbacks. Therefore, our income remained static, at £7.5m, the same level as in 2021-22.

This was combined with the significant cost increases across the economy, in particular energy prices, and general cost of living pressures. It became clear during the summer of 2022 that our original budgetary assumptions were not going to be deliverable, as we faced both income delays and significant and immediate cost rises. Our core operating costs increased from £7.8m in 2021/22 to £8.2m in 2022/23. We had no choice but to restructure fast, significantly reducing the size of the organisation to meet this challenge.

The significant deficit in 2022/23 is indicative of the lag between this restructuring, the continual income delays and the rising costs, all of which hit hard and fast in the summer of 2022. The operational deficit increased from £319k in 2021/22 to £593k in 2022/23.

This year in 2023/24 the picture is sadly similar. Our income has reduced and so has our cost base – just not to the levels needed to create a balanced budget. We were able to exit a number of property arrangements which were partially contributing to the steep deficits; however, an in-depth review of costs has meant a further restructure in 2023/24 which will help to bring our operating costs within our means again. We expect a further operating deficit in 2023/24, of approximately £400k. The Trustees have now approved a budget for 2024/25 that we expect to deliver an operating surplus of about £200k, and so start to rebuild our Reserves to more comfortable levels.

The task of rebuilding reserves will take several years to proceed. We are doing so from a lower cost base, with less risks including having exited pension liabilities and reducing properties we operate from, and a solid base of income and contracts to underpin our work.

Given the current financial climate, we do not anticipate growth in Charitable income, and therefore we plan to keep operating costs to a minimum. The one exception is our work with Corporate Organisations, which continues to grow despite the challenging environment. We intend to continue to invest effort and energy into this, as a method for rebuilding reserves.

The operating climate remains challenging and therefore the risk appetite of trustees and the executive is much lower, hence the more prudent and conservative approach to growth and spending in coming years. We are very fortunate as a charity to have a significant property asset we own outright which

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gives us some form of safety net should we need it, nonetheless our focus over the coming financial years will be on building free reserves through operational surpluses from 2024/25 onwards.

One favourable outcome of the turmoil of last year was the pensions market, in which we took advantage of a vastly improved picture by exiting our legacy Local Government Pension Scheme. This has sat as a significant liability on our balance sheet for years and has now been settled with Islington Pension Scheme at a nil cessation value. This exceptional transaction appears in two places in the Statement of Financial Activities: a charge to the income and expenditure account of £6.4m, and an actuarial gain of £15.3m, which is detailed as an exceptional item of the accounts. The pensions liability (and associated reserve) no longer appears on our balance sheet. This was a significant financial milestone in securing the long-term future of the charity and reducing our risk profile.

Our Fundraising Promise

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

We do not employ third parties to fundraise on our behalf. We promise our supporters to keep their data secure and will never sell or pass it on to third parties. We comply fully with data protection controls as set out in the General Data Protection Regulation (GDPR) 2018. We are committed to getting things right the first time and we take all complaints seriously. We have a formal complaints procedure and promise to make every effort to ensure all complaints are dealt with swiftly and appropriately. We are pleased to report that we received no complaints about our fundraising practices during our last financial year and will continue to adhere to the high standards our supporters expect.

Future plans, risk management and reserves

The main risk for the charity is not closing the operational deficit and being unable to rebuild free reserves. This is being addressed through a combination of managing costs, restructuring where necessary, identifying and addressing projects which do not return sufficient contribution and securing more work, supported by the Director of Business Development and Impact. Monthly reporting of project income and costs and detailed analysis has been progressed but, during the year, had not reached the stage of providing sufficient information on which to base decisions. These systems are now in place and contingency plans can be enacted quickly if forecast budget goes off-target.

The organisation has overdraft facilities available to it, to support the fluctuations in cashflow, which are secured on owned property. The Trustees are considering if this facility is sufficient to support the organisation's continued operations and are also in positive discussions with the Bank for alternative arrangements to cover the next few years, whilst free reserves are returned to an appropriate level. Progress towards the targeted free reserves is reported on and monitored by the Finance and Audit Committee and any corrective action identified as necessary will be monitored by this committee.

The reserves position is reviewed at the Finance and Audit Committee regularly and is approved annually at Council. The Trustees are satisfied that this strategy is appropriate based on the assessment of going concern detailed below.

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Reserves

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

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

The Reserves Policy in place for the year ending 31st March 2023 is based on the level of reserves excluding three items:

- restricted reserves, which can only be spent to support particular projects;
- any pension deficit, because this deficit will not be payable in full for many years;
- the net book value of the properties held for the charities own use, which is the fixed assets designated reserve;

Group available reserves

	2023	2022
	£'000	£'000
Total Reserves excluding pension deficit reserve	1,012	1,605
Less restricted funds	(151)	(260)
Unrestricted reserves	861	1,345
Free reserves	(463)	67

In riding out current challenges, we have had to use all of our free reserves and are reporting negative free reserves in FY 2022/23. We expect our overall reserves to bottom out at around £550k in March 2024, and then to rebuild from that level.

Given the current position this decision will remain under review regularly during the year until operating surpluses are being delivered on a sustainable basis.

Going concern

The financial position is monitored carefully at a number of levels. The executive leadership team monitors cash flow daily, has monthly compliance meetings, and has proactive and robust procedures for ensuring management of debtors. During the last twelve months improvements in providing meaningful management information have been made, and going forward the Finance and Audit Committee will review the position monthly.

Given the current financial climate, our forecasts for 2024/25 predict a small reduction in our income, as opposed to previous predicted continued growth. The restructuring and changes across the previous two financial years should enable us to post surpluses in spite of this reduction in future financial years.

In riding out these challenges, we have had to use all of our free reserves and are reporting negative free reserves in FY 2022/23 and 2023/24. We expect our overall reserves to bottom out at around

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£550k in March 2024, and then to rebuild from that level. The charity has also improved its approach to managing and forecasting cash flows into the future and taking appropriate action to collect debtors on time.

Whilst reserves are designed for situations like this, the operating climate remains uncertain and therefore the risk appetite of trustees and the executive is much lower, hence the more prudent and conservative approach to growth and spending in coming years.

Further details on the going concern basis of preparation are set out in note 1 (b). On this basis, the Trustees are of the view that the charity will remain a going concern for a period of at least 12 months from the date of the approval of these financial statements, which should therefore be prepared on that basis. Given the current position this decision will remain under review regularly during the year until operating surpluses are being delivered on a sustainable basis.

Structure, Governance and Management

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

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

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

Volunteering Matters' will continue to recruit trustees using a process of open recruitment as trustees come to the end of their terms of office or wish to stand down. The chairs of committees are appointed based on interest and skills. All trustees have the opportunity to attend a half-day induction session that covers the following areas:

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

In addition, they are issued with the NCVO handbook for trustees.

In terms of training, trustees are given every opportunity to attend appropriate development sessions organised by charity accountants, solicitors, NCVO, NPC and other Organisations.

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

The following Council committees meet regularly:

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- The Finance and Investment Committee was renamed the Finance and Audit Committee in April 2021. The Finance and Audit Committee is responsible for ensuring that effective internal governance controls, processes and systems are in place, particularly in relation to legal, audit, financial and risk; as well as maintaining oversight of charity finances, financial strategy and investment policy. The Finance and Audit Committee also receive the report from the external auditors, review and respond to the findings and recommendations and then monitor the implementation of agreed actions to address issues raised.
- The Enterprise Committee was formed in April 2021. The committee is responsible for providing additional support to the commercial and entrepreneurial directorate of Volunteering Matters which currently includes our Employee Volunteering service, and Get The Gen consultancy services.

The day-to-day operational responsibilities for Volunteering Matters are devolved by the Council to the Chief Executive, the Executive Leadership Team and operational managers, who remain responsible to the Council for all aspects of performance. The Executive Leadership Team comprises the Chief Executive, Director of Volunteering Delivery, Director of Business Development and Impact, Director of Enterprise, Head of Corporate Services and Head of Inclusion and Communities. Key management personnel comprise the Trustees and the Executive Leadership Team.

Remuneration policy

The pay structure in Volunteering Matters is regularly benchmarked against equivalent external roles in our sector. Human Resources monitor our pay and reward strategy, remuneration reviews and all related policies. The Organisation is committed to an equal pay policy to ensure staff pay reflects the skills and experience required to perform their roles to a high standard.

Post Balance Sheet Event

Post year end the activities of PS Enterprises Limited have been transferred to the parent charity as part of a group reconstruction. As a consequence all contractual and balance sheet assets and commitments have been transferred to Volunteering Matters.

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), including Financial Reporting Standard FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 the group 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;

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- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- and prepare the financial statements on the going concern basis unless it is inappropriate to presume the group and charitable company will continue in operation. Details of the going concern basis of preparation is disclosed in note 1b to the accounts.

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

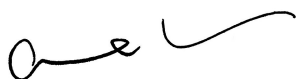
Insofar as the Council are aware:

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

Auditors

Saffery 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 and signed on their behalf by:



Anne Heal

Chair of Council

Date: 10 May 2024

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Independent Auditor's Report to the Members and Trustees of Volunteering Matters

Opinion

We have audited the financial statements of Volunteering Matters (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the Volunteering Matters statement of financial activities, the consolidated balance sheet, the Volunteering Matters balance sheet, the consolidated cashflow, the Volunteering Matters cashflow and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the affairs of the group and the parent charitable company as at 31 March 2023 and of the group's and parent charity's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainties related to going concern

We draw attention to note 1 (b) within the financial statements, which indicates that the Group and Company reported net operating expenditure excluding exceptional items for the year to 31 March 2023 of £593k (2022: £319k) and £582k (2022: £349k) respectively, and the company is expecting to report a further operating deficit in financial year 2023/24, resulting in an increase in negative free reserves as at 31 March 2024. The charitable company is awaiting, at the date of approval of the accounts, the outcome of a number of funding applications for both renewal and new business contracts which remain uncertain at the date of approval. The Trustees are also seeking bank funding solutions on a term basis which are ongoing at the date of approval. The Trustees continue to undertake a review of operations so that the organisation is best placed to adjust its programme of activities to deliver future operating surpluses and to match available resources, given the likely range of outcomes. These events or conditions along with other matters as set forth in Note 1 (b), indicate that material uncertainties exist which may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Volunteering Matters

For the year ended 31 March 2023

Independent Auditor's Report to the Members and Trustees of Volunteering Matters

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and their 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:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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.

Volunteering Matters

For the year ended 31 March 2023

Independent Auditor's Report to the Members and Trustees of Volunteering Matters

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 15, the trustees (who are also the directors of the parent 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 the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

Identifying and assessing risks related to irregularities:

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

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

Volunteering Matters

For the year ended 31 March 2023

Independent Auditor's Report to the Members and Trustees of Volunteering Matters

Audit response to risks identified:

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

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

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

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

Volunteering Matters
For the year ended 31 March 2023
Independent Auditor's Report to the Members and Trustees of Volunteering Matters

Use of our report

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



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

	Edinburgh Quay
	133 Fountainbridge
Chartered Accountants	Edinburgh
Statutory Auditors	EH3 9BA
Date: 10 May 2024	

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

Volunteering Matters

Consolidated Statement of Financial Activities For the year ended 31 March 2023

	Note	Unrestricted Funds £'000	Restricted Funds £'000	2023 £'000	2022 £'000
Income from:					
Donations and legacies	2	676	641	1,317	86
Charitable activities	3	732	5,551	6,283	7,319
Other Income	4	-	-	-	54
Total income		1,408	6,192	7,600	7,459
Expenditure on:					
Raising funds	5	263	-	263	258
Charitable activities	5	1,629	6,301	7,930	7,520
Exceptional item - effect of pension settlement	5, 17	6,418	-	6,418	-
Total expenditure		8,310	6,301	14,611	7,778
Operating deficit (excluding exceptional item)		(484)	(109)	(593)	(319)
Net (expenditure) / income		(6,902)	(109)	(7,011)	(319)
Other recognised gains/(losses):					
Exceptional item - Actuarial gain on defined benefit pension schemes	17	15,349	-	15,349	3,490
		15,349	-	15,349	3,490
Net movement in funds		8,447	(109)	8,338	3,171
Total funds brought forward	13	(7,586)	260	(7,326)	(10,497)
Total funds carried forward	13	861	151	1,012	(7,326)

There were no recognised gains or losses other than those stated above.

All income and expenditure derive from continuing activities.

The notes form part of these financial statements.

Volunteering Matters

Volunteering Matters Statement of Financial Activities For the year ended 31 March 2023

	Note	Unrestricted Funds £'000	Restricted Funds £'000	2023 £'000	2022 £'000
Income from:					
Donations and legacies	2	676	641	1,317	86
Charitable activities	3	610	5,551	6,161	7,193
Other income	4	-	-	-	54
Total income		1,286	6,192	7,478	7,333
Expenditure on:					
Raising funds	5	263	-	263	258
Charitable activities	5	1,496	6,301	7,797	7,424
Exceptional item - effect of pension settlement	5, 17	6,418	-	6,418	-
Total expenditure		8,177	6,301	14,478	7,682
Operating deficit (excluding exceptional item)		(473)	(109)	(582)	(349)
Net (expenditure) / income		(6,891)	(109)	(7,000)	(349)
Other recognised gains/(losses):					
Exceptional item - Actuarial gain on defined benefit pension schemes	17	15,349	-	15,349	3,490
		15,349	-	15,349	3,490
Net movement in funds		8,458	(109)	8,349	3,141
Total funds brought forward	13	(7,586)	230	(7,356)	(10,497)
Total funds carried forward	13	872	121	993	(7,356)

There were no recognised gains or losses other than those stated above.

All income and expenditure derive from continuing activities.

The notes form part of these financial statements.

Volunteering Matters

Consolidated Balance Sheet For the year ended 31 March 2023

	Note	£'000	2023 £'000	£'000	2022 £'000
Fixed assets					
Fixed assets	9		<u>1,324</u>		<u>1,278</u>
			1,324		1,278
Current assets					
Debtors	11	666		1,396	
Cash at bank		<u>501</u>		<u>916</u>	
		1,167		2,312	
Creditors: amounts falling due within one year	12	<u>(1,479)</u>		<u>(1,985)</u>	
Net current assets excluding pension liability			<u>(312)</u>		<u>327</u>
Defined benefit pension scheme liability	17		-		(8,931)
Total net liabilities			<u>1,012</u>		<u>(7,326)</u>
Funds					
Unrestricted funds	13		861		1,345
Restricted funds	13		151		260
Pension reserve	13		<u>-</u>		<u>(8,931)</u>
			<u>1,012</u>		<u>(7,326)</u>

The notes form part of these financial statements.

The financial statements were approved by the trustees on 10 May 2024 and are signed on their behalf by:

Anne Heal, Chair & Council Member
Trustee

Simon Judge
Chair of the Finance & Audit Committee

Company Registration No. 1435877

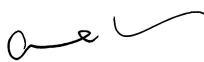
Volunteering Matters

Volunteering Matters Balance Sheet For the year ended 31 March 2023

	Note	£'000	2023 £'000	£'000	2022 £'000
Fixed assets					
Fixed assets	9		1,324		1,278
			<u>1,324</u>		<u>1,278</u>
Current assets					
Debtors	11	666		1,368	
Cash at bank		440		886	
		<u>1,106</u>		<u>2,254</u>	
Creditors: amounts falling due within one year	12	<u>(1,437)</u>		<u>(1,957)</u>	
Net current assets excluding pension liability			<u>(331)</u>		<u>297</u>
Defined benefit pension scheme liability	17		-		(8,931)
Total net liabilities			<u>993</u>		<u>(7,356)</u>
Funds					
Unrestricted funds	13		872		1,345
Restricted funds	13		121		230
Pension reserve	13		-		(8,931)
			<u>993</u>		<u>(7,356)</u>

The notes form part of these financial statements.

The financial statements were approved by the trustees on 10 May 2024 and are signed on their behalf by:



Anne Heal, Chair & Council Member
Trustee



Simon Judge
Chair of the Finance & Audit Committee

Company Registration No. 1435877

Volunteering Matters

Consolidated Statement of Cash Flows For the year ended 31 March 2023

	Note	2023 £'000	2022 £'000
Reconciliation of Cashflows from Operating Activities			
Net expenditure		(7,011)	(319)
Depreciation charges	9	90	51
Pension cost adjustment - exceptional		6,418	156
Decrease/(increase) in debtors	11	730	(89)
(Decrease)/increase in creditors	12	(505)	816
Cash flows from operating activities		<u>(278)</u>	<u>615</u>
Cash flows from investing activities			
Purchase of fixed assets	9	(137)	(84)
Net cash used in investing activities		<u>(137)</u>	<u>(84)</u>
Change in cash and cash equivalents in the period		(415)	531
Cash and cash equivalent brought forward		916	385
Cash and cash equivalents carried forward		<u>501</u>	<u>916</u>
Reconciliation of Net Cash			
	31 March 2022		31 March 2023
	Brought forward	Cashflow	Carried forward
	£'000	£'000	£'000
Cash at bank	916	(415)	501

Volunteering Matters

Volunteering Matters Statement of Cash Flows For the year ended 31 March 2023

	Note	2023 £'000	2022 £'000
Reconciliation of Cashflows from Operating Activities			
Net expenditure		(7,000)	(349)
Depreciation charges	9	90	51
Pension cost adjustment - exceptional		6,418	156
Decrease/(increase) in debtors	11	702	(61)
(Decrease)/increase in debtors	12	(519)	788
Cash flows from operating activities		<u>(309)</u>	<u>585</u>
Cash flows from investing activities			
Purchase of fixed assets	9	(137)	(84)
Net cash used in investing activities		<u>(137)</u>	<u>(84)</u>
Change in cash and cash equivalents in the period		(446)	501
Cash and cash equivalent brought forward		886	385
Cash and cash equivalents carried forward		<u>440</u>	<u>886</u>
Reconciliation of Net Cash			
	31 March 2022		31 March 2023
	Brought forward	Cashflow	Carried forward
	£'000	£'000	£'000
Cash at bank	886	(446)	440

Volunteering Matters

Notes to the financial statements For the year ended 31 March 2023

1. Accounting policies

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

a) Basis of preparation of financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005. The financial statements have been prepared under the historic cost convention rules and on the going concern basis.

Company status

The Charity is a private company limited by guarantee. The members of the Charity are the Board of Trustees as detailed on page 2. The charity is incorporated in England and Wales and Scotland and registration numbers are detailed on page 2. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Basis of consolidation

The consolidated financial statements include the financial statements of the charity and its subsidiary undertaking, PS Enterprises Limited. The subsidiary has been fully consolidated on a line by line basis in accordance with FRS 102 from the date it became part of the Group.

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

In the Charity's financial statements, the investment in its subsidiaries are stated at cost or book value.

b) Going concern

As noted within subsequent events, the directors resolved to hive up the trade and assets of the charitable activities within PS Enterprises Limited to the charity.

The directors have consequently reviewed the going concern status of the company at the date of approval of the 2023 Group and company financial statements.

The directors consider the company to be a going concern and the financial statements have been prepared on that basis.

At the balance sheet date, the charitable company had total funds of £993k (2022: deficit of £7.3m) with the prior year reflective of the accounting requirements for defined benefit pension scheme arrangements under the requirements of the charities SORP. During FY 2023 the company exited from membership of the defined benefit scheme with the exceptional movement in funds noted in the company and group statement of financial activities. The group reported a deficit on free reserves of £463k at the balance sheet date (after deducting fixed assets from unrestricted funds) and the Trustees expect to report further operating deficits and increased negative free reserves as at 31 March 2024.

The charitable company relies on bank funder support, grants and contract income from outside sources, the generation of future operating surpluses and sufficient ongoing operating cashflow to finance ordinary activities. The charitable company currently meets its day to day working capital requirements through available cash resources, including receipts from future project income and overdraft facilities to ensure that the company continues to meet obligations when they fall due.

The directors are currently exploring further bank finance on a term basis to remove its cashflow reliance on future contract income.

Volunteering Matters

Notes to the financial statements For the year ended 31 March 2023

Going concern (continued)

The Trustees, mindful of economic headwinds, have taken steps to reduce operating costs to lower levels. The charity continues to seek the necessary contract and funding agreement renewals and new business conversion. As is common with many charitable organisations with income from contracts and other funding agreements, at the date of approval of the accounts, the charitable company is awaiting the outcome of a number of funding applications for both renewal and new business contracts. These remain uncertain at the date of approval. The forthcoming budget is built on a prudent view of these anticipated outcomes. The Trustees continue to undertake a review of operations to ensure the organisation is best placed to adjust its programme of activities to match available resources, given the likely range of outcomes.

Against this background, the Trustees have considered and approved management prepared financial operating projections for the period to 30 April 2025 which include assumptions for funder support and anticipated costs and income which the Trustees consider to be reasonable and prudent. In arriving at these assumptions the Trustees accept that adequate funder support, contract income to forecast levels and anticipated costs to enable the company to commence addressing past deficits are material uncertainties to the going concern basis of preparation at the date of approval of the financial statements.

However, having considered the matters above, the Trustees are of the view that, at the date of approval of the financial statements, the charitable group and company has sufficient reserves and other resources to continue to operate and meet debts as they fall due for the foreseeable future. Therefore, the financial statements have been drawn up on a 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.

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

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

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

d) Fund accounting

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

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

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

e) Resources expended

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

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

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

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

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

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

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

Volunteering Matters

Notes to the financial statements

For the year ended 31 March 2023

f) Tangible fixed assets and depreciation

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

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

Freehold property	2% straight line and 10% straight line
Leasehold property	Over the period of the lease
Plant and equipment	33.3% straight line

g) Operating leases

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

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

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

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

The charity ceased participation in the pension scheme in February 2023 as detailed in note 17.

i) Provisions

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

j) Recoverable VAT

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

k) Financial instruments

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

l) Critical accounting judgements and key sources of estimation uncertainty

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 prior year key area of estimation and judgement is the discount rate used by the actuary in determining our prior year pension liabilities as reported in Note 17 to these Financial Statements.

Volunteering Matters

Notes to the financial statements For the year ended 31 March 2023

2. Donations and legacies

Group	2023	2023	2023	2022
	Unrestricted £'000	Restricted £'000	Total £'000	Total £'000
Individual and company donations	132	341	473	20
Trusts and foundations	544	300	844	66
	<u>676</u>	<u>641</u>	<u>1,317</u>	<u>86</u>

Company	2023	2023	2023	2022
	Unrestricted £'000	Restricted £'000	Total £'000	Total £'000
Individual and company donations	132	341	473	20
Trusts and foundations	544	300	844	66
	<u>676</u>	<u>641</u>	<u>1,317</u>	<u>86</u>

3. Incoming resources from charitable activities

Group	2023	2023	2023	2022
	Unrestricted £'000	Restricted £'000	Total £'000	Total £'000
National Grants including Big Lottery Fund and People's Postcode Lottery	563	248	811	1,047
Central Government	-	1,646	1,646	1,138
Local Government	-	1,721	1,721	2,412
European funding	-	3	3	209
Trusts and Foundations (grants)	67	454	521	537
Corporate	(32)	1,233	1,201	1,191
Other public sector	134	246	380	785
	<u>732</u>	<u>5,551</u>	<u>6,283</u>	<u>7,319</u>

Company

The income of the charitable company is £6,161,000, which is as detailed above excluding £122,000 generated by the subsidiary company and other group adjustments.

Group	2022	2022	2022
	Unrestricted £'000	Restricted £'000	Total £'000
National Grants including Big Lottery Fund and People's Postcode Lottery	713	334	1,047
Central Government	-	1,138	1,138
Local Government	5	2,407	2,412
European funding	-	209	209
Trusts and Foundations (grants)	41	496	537
Employee Volunteering	76	1,115	1,191
Other public sector	(57)	842	785
	<u>778</u>	<u>6,541</u>	<u>7,319</u>

Company

The income of the charitable company is £7,193,000, which is as detailed above excluding £172,000 generated by the subsidiary company and other group adjustments.

4. Incoming resources from property and other income

Group and company	2023	2023	2023
	Unrestricted £'000	Restricted £'000	Total £'000
Furlough income	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

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Notes to the financial statements For the year ended 31 March 2023

Incoming resources from property and other income for the prior year				2022	2022	2022
				Unrestricted	Restricted	Total
				£'000	£'000	£'000
Property Income				1	-	1
Furlough Income				14	39	53
				<u>15</u>	<u>39</u>	<u>54</u>
5. Total resources expended						
	Staff costs (Note 8)	Other direct costs	Support costs	Cost allocation	Total 2023	Total 2022
Group	£'000	£'000	£'000	£'000	£'000	£'000
Cost of raising funds	180	45	38	-	263	258
Charitable activities - investing in volunteering	182	1,496	932	(981)	1,629	963
Exceptional item	6,418	-	-	-	6,418	-
Unrestricted expenditure	6,780	1,541	970	(981)	8,310	1,221
Charitable activities	5,181	21	118	981	6,301	6,557
Total resources expended	<u>11,961</u>	<u>1,562</u>	<u>1,088</u>	<u>-</u>	<u>14,611</u>	<u>7,778</u>

Restricted costs are made up of delivery project costs. Unrestricted costs are made up of central staff costs and unrestricted project costs. Support costs comprise of operational costs, IT and other administrative costs. The total governance cost includes a proportion of support costs.

Cost allocations reflect core project costs of £796,000 and £185,000 of central management costs incurred on restricted income projects in the year.

Exceptional item - the charity exited the defined benefit pension scheme during the year and an exceptional accounting charge under FRS 102 arose.

	Staff costs (Note 8)	Other direct costs	Support costs	Cost allocation	Total 2023	Total 2022
Charity	£'000	£'000	£'000	£'000	£'000	£'000
Cost of raising funds	180	45	38	-	263	258
Charitable activities - investing in volunteering	98	1,496	883	(981)	1,496	963
Exceptional item	6,418	-	-	-	6,418	-
Unrestricted expenditure	6,696	1,541	921	(981)	8,177	1,221
Charitable activities	5,181	21	118	981	6,301	6,461
Total resources expended	<u>11,877</u>	<u>1,562</u>	<u>1,039</u>	<u>-</u>	<u>14,478</u>	<u>7,682</u>

The expenditure of the charitable company is £14,478,000, which is as detailed above, excluding £133,000 expended by the subsidiary company and other group adjustments.

Exceptional item - the charity exited the defined benefit pension scheme during the year and an exceptional accounting charge under FRS 102 arose.

Cost allocations reflect core project costs of £796,000 and £185,000 of central management costs incurred on restricted income projects in the year.

Total resources expended for the prior year

	Staff costs (Note 8)	Other direct costs	Support costs	Total 2022
	£'000	£'000	£'000	£'000
Cost of raising funds	242	3	13	258
Charitable activities - investing in volunteering	4,911	1,723	886	7,520
Total resources expended	<u>5,153</u>	<u>1,726</u>	<u>899</u>	<u>7,778</u>

Company

The comparable expenditure of the charitable company is £7,682,000, which is as detailed above excluding £96,000 expended by the subsidiary company and other group adjustments.

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Notes to the financial statements For the year ended 31 March 2023

6. Grants paid

	2023 £'000	2022 £'000
Action Earth Community based projects paid to organisations	32	48
	<u>32</u>	<u>48</u>
Grants paid to organisations during the year were paid as follows:		
Number of individual grants less than £2,000	145	175
	<u>145</u>	<u>175</u>

7. Net income/(expenditure) for the year

	2023 £'000	2022 £'000
This is stated after charging:		
Depreciation	90	51
Auditors' remuneration (see below):	30	28
Operating lease rentals: Property	71	66

During the period 3 Council members (2022: 5) received reimbursement for travel & subsistence expenses totalling £3,182 (2022: £1,283). No remuneration nor payment for services was paid to any member of the Council (2022: none).

	2023 £'000	2022 £'000
Auditors' remuneration (excluding VAT)		
External audit	30	28
Non audit services	5	5
	<u>35</u>	<u>33</u>

8. Staff numbers and costs

	2023 Group £'000	2023 Charity £'000	2022 Group £'000	2022 Charity £'000
Wages and salaries	4,868	4,793	4,376	4,343
Redundancy/Compensation costs	-	-	24	24
Social security costs	488	480	392	389
Defined contribution pension scheme costs	187	185	106	105
Defined benefit pension scheme adjustment- exceptional (note 17)	6,418	6,418	256	256
	<u>11,961</u>	<u>11,876</u>	<u>5,154</u>	<u>5,117</u>

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.

	2023 No.	2022 No.
Number of staff earning more than £60,000 in the accounting year:		
Number of employees receiving £90,001- £100,000	1	1
Number of employees receiving £70,001- £80,000	1	-
Number of employees receiving £60,000- £70,000	2	1
	<u>4</u>	<u>2</u>

The total earnings, including pensions of the charity's key management personnel was £364,242 (2022: £417,911).

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

Volunteering Matters

Notes to the financial statements For the year ended 31 March 2023

Staff numbers and costs (continued)	Head count		Full time equivalents	
	2023 No.	2022 No.	2023 No.	2022 No.
Charitable activities	183	174	112	136
Fundraising	13	13	13	13
Governance	1	1	1	1
	<u>197</u>	<u>188</u>	<u>126</u>	<u>150</u>

9. Tangible fixed assets - Charity and group

	Freehold & long leasehold properties	Plant and equipment	Motor vehicles	Total 2023
	£'000	£'000	£'000	£'000
Cost				
At 1 April 2022	1,611	393	-	2,004
Additions	-	30	107	137
Disposals/write offs	-	-	-	-
At 31 March 2023	<u>1,611</u>	<u>423</u>	<u>107</u>	<u>2,141</u>
Depreciation				
At 1 April 2022	448	278	-	726
Charge for the period	47	43	-	90
Disposals/write offs	-	-	-	-
At 31 March 2023	<u>495</u>	<u>322</u>	<u>-</u>	<u>816</u>
Net book value				
At 31 March 2023	<u>1,116</u>	<u>100</u>	<u>106</u>	<u>1,324</u>
At 31 March 2022	<u>1,163</u>	<u>115</u>	<u>-</u>	<u>1,278</u>

10. Investments

	2023 Group £'000	2023 Charity £'000	2022 Charity £'000
Investments in subsidiary undertakings	-	-	-

Volunteering Matters acquired PS Enterprises Limited, registered in Scotland, on 1 April 2021, following the acquisition of the assets and liabilities of its previous parent entity Project Scotland. PS Enterprises Limited generated a loss of £8,367 for the period to 31 March 2023 and had closing capital and reserves of £21,443.

Financial results for PS Enterprises Limited have been disclosed in note 21. PS Enterprises Limited, a wholly owned subsidiary, is a company which operates to train and event management in support of Project Scotland.

11. Debtors

	2023 Group £'000	2023 Charity £'000	2022 Group £'000	2022 Charity £'000
Trade debtors	435	409	1,001	973
Accrued income	189	189	395	395
Prepayments	40	40	-	-
Other debtors	10	-	-	-
Staff floats	5	5	-	-
Staff loans	2	2	-	-
Due from PSEL	-	36	-	-
VAT receivable	(15)	(15)	-	-
	<u>666</u>	<u>666</u>	<u>1,396</u>	<u>1,368</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.

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Notes to the financial statements For the year ended 31 March 2023

12. Creditors: amounts falling due within 1 year

	2023 Group £'000	2023 Charity £'000	2022 Group £'000	2022 Charity £'000
Trade creditors	140	102	542	537
Social security and other taxes	98	94	62	57
Accruals and other creditors	134	134	425	420
Deferred income (see below)	1,081	1,081	956	943
Pension	26	26	-	-
	<u>1,479</u>	<u>1,437</u>	<u>1,985</u>	<u>1,957</u>
<u>Deferred income</u>				
Balance b/f	943	943	864	864
Amount released to incoming resources	(943)	(943)	(864)	(864)
Amount deferred in the period	<u>1,081</u>	<u>1,081</u>	<u>956</u>	<u>943</u>
Balance c/f	<u>1,081</u>	<u>1,081</u>	<u>956</u>	<u>943</u>

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

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Notes to the financial statements
For the year ended 31 March 2023

13. Statement of movement of funds - Group

	31 March 2022					31 March 2023
	Brought forward	Incoming resources	Resources expended	Transfers	Other gains/ (losses)	Carried forward
	£'000	£'000	£'000	£'000	£'000	£'000
Summary of funds						
<u>Unrestricted funds:</u>						
Designated funds	1,278	136	(90)	-	-	1,324
General fund	67	1,272	(1,802)	-	-	(463)
Total unrestricted fund before pension deficit	1,345	1,408	(1,892)	-	-	861
Less pension deficit	(8,931)	-	(6,418)	-	15,349	-
Restricted funds	260	6,192	(6,301)	-	-	151
Total funds	(7,326)	7,600	(14,611)	-	15,349	1,012

Statement of funds - Charity

	31 March 2022					31 March 2023
	Brought forward	Incoming resources	Resources expended	Transfers	Other gains/ (losses)	Carried forward
	£'000	£'000	£'000	£'000	£'000	£'000
Summary of funds						
<u>Unrestricted funds:</u>						
Designated funds	1,278	136	(90)	-	-	1,324
General fund	67	1,150	(1,669)	-	-	(452)
Total unrestricted fund before pension deficit	1,345	1,286	(1,759)	-	-	872
Less pension deficit	(8,931)	-	(6,418)	-	15,349	-
Restricted funds	230	6,192	(6,301)	-	-	121
Total funds	(7,356)	7,478	(14,478)	-	15,349	993

Unrestricted designated and general expenditure relates mainly to non-project costs.

Group and company restricted funds represent balances in respect of many on-going projects where funds have been applied, having been restricted by the terms of the funding agreements. Significant restricted funds received and incurred in the year included:

Volunteering Matters

Notes to the financial statements

For the year ended 31 March 2023

Material restricted funds

Team Young Ambassadors - £271K

Young people with special educational needs or who have been excluded from mainstream education from across London helping others and influencing social changes by delivering social action projects in the communities they live in across the Capital.

IWill project - £360K

#iwill is a movement that empowers 10–25-year-old to make a positive difference on the issues that affect their lives, communities and society.

MK Stepping Stones - £79K

Trained mentors supporting young people who have spent time as inpatients at a local NHS Mental Health Trust to continue their recovery in the community.

UK Year of service - £473K

A UK wider programme that provided funding to VM to employ young people (aged 18-15) to work at VM for 12 months to support front line projects, young people were involved in supporting adults with learning difficulties to live independently in Norfolk, to recruit young mentors in Scotland and support older people to live independent lives in Brighton.

Peer Action Collective - £198K

Peer researchers (young people) carried out research in schools and community settings across the East of England, the research focused on serious youth violence and young people's experience of trauma. The research was followed by youth social action activities - young people supporting other young people to develop new skills and enjoy positive life experiences.

RCT 360 - £319K & Newport 360 - £205K

Both projects were pilots funded by the UK Government as part of the 'Levelling Up' agenda. The primary focus was on skills development and increasing employability options for people furthest from the job market. The delivery of this work included skills swap sessions lead by volunteers, mentoring and supporting and targets training for employers in Wales provided by GettheGen.

VsF Waltham Forest - £90K, VsF Greenwich - £87K, VsF Edinburgh - £99K & VsF Scotand - £84K

Volunteers Supporting Families (VsF) provides 1;1 support for families referred to VM via Local Authorities. The Families supported are either 'in crisis' and are being closely supervised by the local authority or they have been identified as being 'in need' and may need short term support to help them through a challenging period.

The support is provided by trained volunteers, who are supported by VM staff members.

Match and Mentor - £175K

Volunteers support adults with learning difficulties to live independent lives, support is provided 1:1 and via group sessions.

Full Time Volunteering - £97K

Volunteers support adults with physical and/or learning difficulties to live independent lives. The support is provided in the home, full time (30 hours per week) for up to a year.

Newcastle Volunteer Development - £190K

Volunteering Matters manages the Volunteer Centre in Newcastle, this involves signposting members of the community in Newcastle with 200 plus volunteering opportunities across the City. VM has also developed a Volunteer Passport scheme, which recruits and trains volunteers to volunteer in a range of social care charities across the city.

Grandmentors Suffolk - £76K

Volunteers aged 50 plus are matched as mentors with young people aged 16 plus who are leaving the care system. Grandmentors (volunteers) support young people with the transition to independent living by providing mentoring support. The mentoring is focused on health and wellbeing, housing, education and employed.

Volunteering Works programmes - £600K (Collectively)

Volunteering Works provides a service to 30 plus corporate clients providing community voluntary opportunities for their workforce, this service is provided via team days and ongoing regular opportunities.

ProjectScotland Edinburgh - £77K

Providing mentoring and job coach support to working age adults in Edinburgh who have been unemployed for a long time.

YPG Glasgow - £95K

Providing mentoring and job coach support to young people who are not in Education, Training or Employment

Youth VIP - £150K

Building capacity and knowledge for charities across Scotland to offer volunteering opportunities to young people, this is achieved through lobbying national government, 1:1 Support for charity leaders and a variety of training and development opportunities.

Welcome Friends - £76K

Adult volunteers (aged 18 plus) befriending isolated older people via 1;1 home visit, telephone befriending and by organising group activities and luncheon clubs.

MK Volunteer Driver Service - £121K

Volunteer drivers taking isolated older people to medical appointments, this includes local GP appointments and long-distance hospital appoints. The service also involves volunteer drivers taking children and young people to family contact appointments.

Connect and Go - £237K

Volunteer drivers take isolated members of the communities to appointments and social events across Warwickshire. The beneficiaries of this projects includes refugees and asylum seekers, care experiences young people and older people.

Lifelines - £85K

Volunteers aged 50 plus organise group activities for older people living in sheltered housing schemes to enjoy, examples include creative writing, seated exercise classes and bingo.

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Notes to the financial statements
For the year ended 31 March 2023

14. Statement of movement of funds for prior year - group

	31 March 2021					31 March 2022
	Brought forward	Incoming resources	Resources expended	Transfers	Other gains/ (losses)	Carried forward
	£'000	£'000	£'000	£'000	£'000	£'000
Summary of funds						
<u>Unrestricted funds:</u>						
Designated funds	1,245	84	(51)	-	-	1,278
General fund	352	729	(1,014)	-	-	67
Total unrestricted fund before pension deficit	1,597	813	(1,065)	-	-	1,345
Less pension deficit	(12,265)	-	(156)	-	3,490	(8,931)
Restricted funds	171	6,646	(6,557)	-	-	260
Total funds	(10,497)	7,459	(7,778)	-	3,490	(7,326)

	31 March 2021					31 March 2022
Statement of funds - Charity	Brought forward	Incoming resources	Resources expended	Transfers	Other gains/ (losses)	Carried forward
	£'000	£'000	£'000	£'000	£'000	£'000
Summary of funds						
<u>Unrestricted funds:</u>						
Designated funds	1,245	84	(51)	-	-	1,278
General fund	352	729	(1,014)	-	-	67
Total unrestricted fund before pension deficit	1,597	813	(1,065)	-	-	1,345
Less pension deficit	(12,265)	-	(156)	-	3,490	(8,931)
Restricted funds	171	6,520	(6,461)	-	-	230
Total funds	(10,497)	7,333	(7,682)	-	3,490	(7,356)

Volunteering Matters

Notes to the financial statements For the year ended 31 March 2023

15. Analysis of net assets - Group	Restricted funds £'000	Unrestricted funds £'000	Total funds £'000
Tangible fixed assets	-	1,324	1,324
Net Current Assets	151	(463)	(312)
Provisions, long-term liabilities and pension liabilities	-	-	-
Net assets/(liabilities) at the period end	<u>151</u>	<u>861</u>	<u>1,012</u>

Analysis of net assets of the group for the prior year

	Restricted funds £'000	Unrestricted funds £'000	Total funds £'000
Tangible fixed assets	-	1,278	1,278
Net Current Assets	260	67	327
Provisions, long-term liabilities and pension liabilities	-	(8,931)	(8,931)
Net assets/(liabilities) at the period end	<u>260</u>	<u>(7,586)</u>	<u>(7,326)</u>

Analysis of net assets - Company

	Restricted funds £'000	Unrestricted funds £'000	Total funds £'000
Tangible fixed assets	-	1,324	1,324
Net Current Assets	121	(452)	(331)
Provisions, long-term liabilities and pension liabilities	-	-	-
Net assets/(liabilities) at the period end	<u>121</u>	<u>872</u>	<u>993</u>

Analysis of net assets of the company for the prior year

	Restricted funds £'000	Unrestricted funds £'000	Total funds £'000
Tangible fixed assets	-	1,278	1,278
Net Current Assets	230	67	297
Provisions, long-term liabilities and pension liabilities	-	(8,931)	(8,931)
Net assets/(liabilities) at the period end	<u>230</u>	<u>(7,586)</u>	<u>(7,356)</u>

16. Operating lease commitments

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

	2023 Land and buildings £'000	2022 Land and buildings £'000
Not later than one year	44	46
Later than one year but not later than five years	-	-
	<u>44</u>	<u>46</u>

Volunteering Matters

Notes to the financial statements For the year ended 31 March 2023

17. Pension contributions and commitments - group and company

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 £Nil (2022: £100k) were made to the London Borough of Islington defined benefit pension scheme in the year. No contractual payments are due for the year ending 31 March 2023.

The disclosures set out below are based on the financial data supplied by Mercer, the Actuary to the London Borough of Islington. A triennial actuarial valuation of the Scheme was carried out at 31 March 2019 as updated for FRS 102 purposes each year. On 10 February 2023, the charity ceased participation in the defined benefit scheme, resulting in an exit valuation of £Nil at 31 March 2023. The final FRS 102 actuarial accounting requirements to cessation are disclosed below:

The major assumptions used for the valuation were:

	2023	2022
	%	%
Discount rate	4.6	2.8
Inflation (CPI)	2.5	3.4
Salary increases	4.0	4.9
Increases to pension in payment	2.6	3.5
Life expectancy current pensioner age 65 male	21.8	22.7
Life expectancy current pensioner age 65 female	24.1	25.3
Life expectancy pensioner age 65 male 20 years' time	23	24.1
Life expectancy pensioner age 65 female 20 years' time	<u>25.8</u>	<u>27.1</u>

The Charity's Scheme value of assets, and the present value of liabilities and the expected rate of return at 31 March 2023 were:

	2023	2022
	Value of assets £'000	Value of assets £'000
Equities	-	32,131
Other bonds	-	5,813
Property	-	8,878
Cash/liquidity	-	-
Other	-	6,024
Total fair value of assets	-	52,846
Present fair value of funded benefit obligations	-	(61,777)
Deficit	-	<u>(8,931)</u>
Components of pension cost	2023	2022
	£'000	£'000
Interest on pension liabilities	-	(1,290)
Interest on plan assets	207	1,034
Effect of settlements	6,211	-
Total pension cost charged to expenditure	<u>6,418</u>	<u>(256)</u>

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Notes to the financial statements For the year ended 31 March 2023

17. Pension contributions and commitments (continued)

	2023	2022
	£'000	£'000
Change in benefit obligation		
Benefit obligation at beginning of year	(61,777)	(62,133)
Interest on pension liabilities	(1,423)	(1,290)
Actuarial gains	18,191	285
Benefits/transfers paid	1,085	1,361
Settlements	43,924	-
Benefit obligation at end of year	<u>-</u>	<u>(61,777)</u>
Change in plan assets		
Fair value of Scheme assets at beginning of year	52,846	49,868
Expected return on plan assets	1,216	1,034
Actuarial (losses)/gains	(2,842)	3,205
Employer contributions	-	100
Benefits/transfers paid	(1,085)	(1,361)
Settlements	(50,135)	-
Fair value of Scheme assets at end of year	<u>-</u>	<u>52,846</u>
Statement of actuarial gains/(losses)		
Change in benefit obligation	18,191	285
Change in plan assets	(2,842)	3,205
Net gain	<u>15,349</u>	<u>3,490</u>

18. Related parties

The Trustees received no emoluments in the period (2022: £nil).

The only related party transactions have been with the wholly owned subsidiary therefore are exempt from disclosure.

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Notes to the financial statements For the year ended 31 March 2023

19. Statement of financial activities for the period ended 31 March 2022

Company	Unrestricted Funds £'000	Restricted Funds £'000	Total to 31 March 2022 £'000
Income and endowments			
Donations and legacies	20	66	86
Charitable activities	778	6,415	7,193
Property income	1	-	1
Other income	14	39	53
Total income and endowments	<u>813</u>	<u>6,520</u>	<u>7,333</u>
Expenditure on			
Raising funds	258	-	258
Charitable activities	963	6,461	7,424
Total expenditure	<u>1,221</u>	<u>6,461</u>	<u>7,682</u>
Net (expenditure)/income for the year	(408)	59	(349)
Other recognised gains/ (losses):			
Actuarial gain on defined benefit pension schemes	3,490	-	3,490
Net movement in funds	<u>3,490</u>	<u>0</u>	<u>3,490</u>
Reconciliation of funds	3,082	59	3,141
Total (deficit)/funds brought forward	(10,668)	171	(10,497)
Total (deficit)/funds carried forward	<u>(7,586)</u>	<u>230</u>	<u>(7,356)</u>
	Unrestricted Funds £'000	Restricted Funds £'000	Total to 31 March 2022 £'000
Group			
Income and endowments			
Donations and legacies	20	66	86
Charitable activities	778	6,541	7,319
Property income	1	-	1
Other income	14	39	53
Total income and endowments	<u>813</u>	<u>6,646</u>	<u>7,459</u>
Expenditure on			
Raising funds	258	-	258
Charitable activities	963	6,557	7,520
Total expenditure	<u>1,221</u>	<u>6,557</u>	<u>7,778</u>
Net (expenditure)/income for the year	(408)	89	(319)
Other recognised gains/ (losses):			
Actuarial gain on defined benefit pension schemes	3,490	-	3,490
Net movement in funds	<u>3,490</u>	<u>0</u>	<u>3,490</u>
Reconciliation of funds	3,082	89	3,171
Total (deficit)/funds brought forward	(10,668)	171	(10,497)
Total (deficit)/funds carried forward	<u>(7,586)</u>	<u>260</u>	<u>(7,326)</u>

20. Contingent liability

As at the year end, the charity had no contingent liabilities (2022: £200,000 contingent obligation payable to the Charity's defined pension scheme in the event that the leasehold property was disposed of).

Volunteering Matters

Notes to the financial statements For the year ended 31 March 2023

21. Subsidiary

PS Enterprises Limited - Gift of Share Capital

On 1 April 2021, Volunteering Matters acquired 100% of the ordinary share capital of PS Enterprises Limited. The share capital was gifted to Volunteering Matters as part of the acquisition of the assets and liabilities of Project Scotland. PS Enterprises Limited's principal activity is training and event management in support of its parent charity.

The summary financial performance of the subsidiary alone is:

	31 March 2023 £'000	31 March 2022 £'000
Current assets		
Debtors	37	47
Cash at bank and in hand	<u>62</u>	<u>31</u>
	<u>99</u>	<u>78</u>
Creditors: amounts falling due within one year	(42)	(28)
Net current assets	57	50
Creditors: amounts falling due after one year	(36)	(20)
Net assets	<u>21</u>	<u>30</u>
Capital and reserves		
Called up share capital	-	-
Profit and loss account	<u>21</u>	<u>30</u>
Equity shareholders' funds	<u>21</u>	<u>30</u>

22. Post Balance Sheet Events

Post year end the activities of PS Enterprises Limited have been transferred to the parent charity as part of a group reconstruction. As a consequence all contractual and balance sheet assets and commitments have been transferred to Volunteering Matters.