

Southampton Voluntary Services

**(A Registered Charity &
Company Limited by Guarantee)**

**Trustees Report and Financial Statements
For the Year Ended 31 March 2022**

**Charity number 1068350
Company number 3515397**

Southampton Voluntary Services
(A Registered Charity and Company Limited by Guarantee)

Trustees Report and Financial Statements for the year ended 31 March 2022

Contents	Page
Report of the Executive Committee:	1-13
Independent Examiner report	14
Statement of financial activities	15
Balance sheet	16
Statement of cash flows	17
Notes to the financial statements	18-28

Southampton Voluntary Services
Report of the Executive Committee for the year ended 31 March 2022

The Executive Committee presents its report and the audited financial statements for the year ended 31 March 2022

Reference and administrative information

Charity name	Southampton Voluntary Services
Charity registration number	1068350
Company registration number	3515397
Registered office & operational address	Voluntary Action Centre Kingsland Square, St Mary Street Southampton, SO14 1NW

Executive Committee

The following, who are considered directors for the purposes of Company law and Trustees for the purposes of Charity law, have served in office between the start of the year (or date of appointment if later) and the date of this report:

K Liles*	Chair
M W Treasure Jones *	Retired 30 th November 2021
C Rogers *	Honorary Treasurer, Chair of Finance sub-Committee

T Bell (nominated SCC)
J Noon (nominated SCC)
M J Carnegie
P C Keeley*
S P Mantle
D G Wrighton
A Sasso

Retired 15th March 2022

* Denotes member of Finance Sub-committee

Company secretary

R Kurn

Independent Examiner

Morris Crocker, Station House, North Street, Havant, PO9 1QU

Bankers

The Royal Bank of Scotland, 156 High Street, Southampton SO14 2NP
Barclays Bank UK plc, Eastleigh Bus Ctr, 20-25 Upper Market Street, Eastleigh, SO50 9FD
Virgin Money formally Clydesdale Bank plc, Bering House, Mariner Court, Clydebank G81 2NR

Solicitor

Paris Smith, No. 1 London Road, Southampton SO15 2AE

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2022 (continued)

Our aims and objectives

Purposes and aims

SVS's purposes, our Charitable Objects, are stated in our Memorandum and Articles of Association and form the basis of our registration as a charity. These documents were prepared on incorporation in 1997 and two small amendments not affecting the Charitable Objects were made to the Articles of Association at the AGM in October 2007. Our Charitable Objects remain as set out in 1997, as follows:

"To promote any **charitable purposes** for the **benefit of the community** in the area of the administrative authorities comprising the historic county of Hampshire (including Portsmouth and Southampton) and in particular, the City of Southampton, and if the directors of the charity shall so decide, in any of the administrative authorities immediately adjoining, and in particular **the advancement of education, the protection of health and the relief of poverty, distress and sickness.**"

Ensuring our work delivers our aims

We review our aims, objectives and activities each year and normally carry out a comprehensive re-appraisal every three years in the preparation of our three year Forward Plan documents. The annual reviews look at what we achieved and the outcomes of our work in the previous twelve months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us to ensure that our aims, objectives and activities remain focused on our stated purposes. **We have paid due regard to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.**

The Charitable Objects are summarised in SVS's Vision, Organisational Values, Mission Statement and Key Aims which were reviewed and updated with input from trustees and stakeholders in early 2019. Whilst our established framework of three year forward planning has been less suited to the unprecedented levels of uncertainty we have been experiencing, in this reporting period we have commenced a process of Strategic Planning, to revisit and refresh our organisational strategic intentions, in line with our Charitable Objects and public benefit, with engagement with all organisational stakeholders. This set of strategic intentions will be published in late 2022, alongside a re-refresh of our organisational values, vision, and mission.

SVS's **Vision** is of *"Southampton is a city where everyone is inspired to make positive contributions to their communities."*

SVS's **Organisational Values** are defined as:

- **Passion** – SVS believes voluntary action is built on the passion of people and communities to make a positive difference;
- **Inclusiveness** – SVS believes that the voluntary ethic is best upheld when organisations promote equality and diversity and are open, democratic, accessible and accountable to their users, members and the wider community;
- **Independence** – SVS will be a strong and independent voice for the sector, supporting best practice in autonomous organisations;
- **Innovation** – SVS will support organisational resourcefulness, flexibility and adaptability, through innovative, original ideas and creative solutions;
- **Partnership** – SVS is committed to positive partnership work to create shared thinking and find solutions to meet local needs.

The **Mission Statement** is that "SVS aims to support a vibrant voluntary and community sector with a strong voice and the best of support. SVS actively promotes voluntary action and the provision of essential services to vulnerable communities."

The focus of our work

Our main objectives for the year are summarised in our strapline, "Promoting Voluntary Action", and in the eight **Key Aims** which are:

Voluntary Sector Support

- **Services and support** – SVS will promote the effectiveness of local voluntary and community groups by providing them with a range of services including access to practical facilities, such as meeting rooms, office services, and more involved support through general and specialist advice and information including regular newsletters, website, training and funding advice;

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2022 (continued)

- **Liaison** – as a focal point for the local voluntary and community sector in Southampton, SVS will encourage networking between individuals and groups within the sector, and between local groups and the statutory and private sectors. SVS will also help different communities to organise their own networking activity;
- **Representation** – with government encouraging involvement of voluntary and community groups in shaping and delivering services, SVS will enable the views of local groups to be represented strategically at local, regional and national levels;
- **Development work** – SVS will help identify gaps in service provision and work with groups to develop new and innovative services to meet these needs;
- **Strategic partnerships** – SVS will work in partnership with local government and other statutory agencies to shape and deliver services to meet city needs;
- **Promoting volunteering and voluntary action** – SVS will use its resources to promote volunteering in Southampton and to facilitate increased opportunity for voluntary action as an expression of active citizenship and civil society;
SVS Services
- **Quality Services** – SVS will deliver good quality services to meet the individual needs of vulnerable communities;
Governance
- **Governance and performance** – SVS will demonstrate best practice in governance by upholding the standards within the Good Governance Code for the Voluntary and Community Sector.

How our activities deliver public benefit

Our main activities and who we try to help are described in “who used and benefited from our services” and our achievements and performance in the year are assessed in the “review of the year”. **All our charitable activities are undertaken to further our charitable purposes, as embodied in our Charitable Objects, Vision and Mission Statement, for the public benefit.**

Who used and benefited from our services?

Our wide ranging Principal Activities are set out below together with the individuals and groups, mainly based within the city of Southampton, that benefit from these activities:

- **Voluntary Sector Support:** Developing, connecting, influencing and representing the voluntary and community sector through providing information, good practice and capacity building;
- **Promoting Volunteering and Voluntary Action:** Involving volunteers, promoting volunteering and voluntary action in all sectors;
- **Services to meet the needs of individuals:**
 - **Community Roots:** A recovery focused, allotment based horticultural project providing supported volunteering opportunities for people with additional support needs, including those who may have experienced mental health problems, substance and alcohol misuse, homelessness or a learning disability.
 - **Healthwatch Southampton:** The local consumer champion for health and social care. Healthwatch Southampton (HWS) listens to the views and experiences of the public and patients and uses its influence to affect commissioning and service provision decisions. HWS also offers independent complaints advocacy and an information, advice and signposting service.
 - **Shopmobility:** Provision of wheelchairs and scooters to people with limited mobility enabling them to access the city centre and access shops, amenities and services independently.
 - **SO:Linked:** contract enabling delivery of SVS community development functions alongside community navigation to enable members of the public to find the support they need in the community. This work is led by SVS and delivered through subcontract arrangements with our partners Alzheimer's Society, Social Enterprise Link, Solent Mind, Spectrum CIL, and TWICS.

Summary review of the year

This report covers the period **1st April 2021 – 31st March 2022**, a period characterised by the continuation of the Covid-19 pandemic, although, thankfully with the roll out of vaccinations, mass access to testing, and other measures to keep people safe.

The period also saw the retirement of longstanding CEO Jo Ash, CBE, and following a lengthy and robust external recruitment process the appointment of Rob Kurn as SVS CEO; Rob having started volunteering with SVS in 1997, and then having been employed in a variety of roles from 1999 onwards, previously being SVS Deputy CEO. Following appointment, Rob restructured the Senior Management Team, to create two new posts, through promotions, of Jude Perrott, to Senior Manager (Business & Finance), and Nicola Judd, to Senior Manager (Operations & Programmes).

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2022 (continued)

During this year SVS have also co-opted two new members onto SVS Executive Committee, who will stand for election at our next AGM, and seen the retirement of Ahmed Sasso, MBE and Mike Treasure-Jones, both who have made a huge contribution to SVS, for Mike over many years, and many thanks are due to both for their wisdom and time.

The year can also be characterised by several themes:

- **Collaboration** – organisations have increasingly come together to work in partnership, each playing to their strengths, to achieve maximum impact. This has been evident amongst VCSE organisations, and also across sectors, and is to be welcomed.
- **Pragmatism** – given the challenges presented by the pandemic commissioners of services have worked in a flexible way with the sector to enable redeployment of resources to the areas of greatest vulnerability and need. This has enabled a far more agile approach on the part of the VCSE, and, again is to be welcomed.
- **Digital** – the importance of digital has never been more important and the sector has adapted to adopt a vast range of digital tools, which would have been unimaginable a few years back. However, this has brought into even sharper relief the digital divide that exists in many of our communities, and the need for collective action to tackle this inequality.
- **Increased demand, increased complexity** – organisations across the sector report not only an increase in volume, but also an increase in the complexity of issues presented by beneficiaries – mirroring the issues raised by both the pandemic and now cost of living crisis.
- **Changing structures** – once again we are seeing large scale changes in structures, particularly within Health and Social Care, with new ICS structures coming into being on the 1st July 2022. Work is currently underway to better understand the demarcation between ICS level, and place-based level, and how the sector can ensure meaningful inclusion at both.

The SVS led **SO:Linked programme** "*supporting Southampton's communities and people*", continues to be the main delivery vehicle for our community development work, alongside partners TWICS and Social Enterprise Link. The community navigation aspect of this integrated commissioning unit (NHS / local government) contract is delivered by partners Spectrum CIL, Solent Mind and Southampton Alzheimer's Society, and the model of these two strands working together has proved very successful in terms of helping people get to the community led support activities and in supporting the organisations who deliver those activities. The programme has attracted further investment, demonstrating its local value, which has enabled new strands of complimentary activity:

- **SO:LetsConnect** – This partnership project is helping to remove barriers to digital access, by upskilling individuals and providing low cost / no cost tech solutions. Delivery partners in this work include SO18 Big Local, TWICS, Drop The Mask Productions CIC, Communicare, Abri and Jamie's Computers. The project has now employed a part-time co-ordinator and deploys a team of trained volunteer digital connectors who provide support.
- **Domestic Navigation** – Working closely with Adult Social Care this strand of work enables clients to access domestic help (cleaning, shopping, etc) by working with local social enterprise Good Life Sorted, and free's up local domiciliary care workers' time to focus on personal care thereby reducing pressures on the local system, at a time when recruitment and retention of care workers has proved challenging.
- **Physical Navigation** – This strand is about helping people to get moving by connecting them with local initiatives that include an element of physical exercise, in the broadest sense. This can include activities such as gardening, or environmental work, and doesn't focus purely on sport, which some can find off-putting.
- **SO: LID** – Our Local Information Directory is providing a go to digital space to identify local services, support, activities, funding and more. This is an invaluable resource for our navigators, social prescribers in the city, the VCSE, and statutory partners. We are now also using the directory to digitally broker volunteer placements for the public.
- **Southampton Green Network** – Co-ordinated by SVS and Solent Mind this network brings together over 50 organisations, of all sizes, to collaborate on the green / environmental agenda within Southampton. The network has also enabled SVS to distribute Southampton City Council (SCC) green grants, to enable organisations to undertake their activities.
- **Dementia Friendly Southampton** – SVS has continued to deliver this workstream, within SO:Linked, to raise awareness of dementia, and help ensure Southampton can be the best it can for people affected by dementia. Our model has provided co-ordination of the Dementia Network, whilst redistributing over 30% of the contract price in small grants to local VCSE organisations to undertake activities. We have now re-secured this contract for another year, with a potential one-year extension.

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2022 (continued)

September 2021 marked the launch of our local good cause lottery **SO:Lotto**. Over the course of the year SO:Lotto has attracted over **50 local good causes**, and **raised £4500** on their behalf. Over the period **168 players** have won over **£600** in cash prizes.

Other new developments across the year have included the development of a partnership with **University of Southampton**. **"In-residence"** aims to build relationships between local communities and civil society organisations with the university, to further engagement, participation, and resonance between community needs and research agendas. A new project is now underway to develop social impact measurements with our Green Network members.

Following the success of the first year of In-residence, SVS is now also working with the **National Institute of Health Research (NIHR)** through the Wessex Public Involvement Network (PIN) to enable a better understanding of the VCSE and encourage greater engagement and participation, and a deeper understanding of community needs regarding health research.

Continuing this theme, SVS have been commissioned by **Southampton Public Health** to co-ordinate a programme of Community Participatory Action Research (CPAR). This has involved recruiting five local VCSE organisations, who in turn have recruited 15 peer researchers from their networks. The organisations are funded for their support and the peer researchers are paid. Training and research support has been provided by the **Young Foundation**, an expert in this field. All of these research projects are based around the impact of Covid-19 on local communities. Once the findings are published later in the year local partners will coproduce initiatives to address the issues that have been raised.

These three pieces of work demonstrate the importance of strong, local **VCSE infrastructure** in enabling local communities, through civil society organisations, to have a strong voice in local decisions around social policy, and in influencing the agendas of research institutions. SVS notes there has been a sea change in terms of these institutions recognising the importance of the voice of local communities and is further demonstrated by the **Civic University** agenda, and the recent **United Kingdom – Research & Innovation (UKRI)** Strategy. SVS is keen to build on this work in future, in line with our belief in inclusion, and the value of decision making based on the needs of communities, rather than the needs of systems.

In line with the inclusion agenda, and in light of the **Black Lives Matter** movement, SVS planned and delivered positive action to support our local BAME communities through **capacity-building** local BAME led organisations. With funding secured from the **Hampshire and Isle of Wight Community Foundation (HIOWCF)**, we were able to deliver two rounds of a **Certificate in Charity Management**, including a peer-to-peer discussion and support group; four rounds of **Roles and Responsibility** training for charity trustees; and, four rounds of **Equality and Diversity** training for staff and volunteers of any VCSE organisations. Following a final evaluation, we intend to further **co-produce** this offer with local **BAME leaders**, with a view to further work in the 22/23 financial year.

Volunteering development continued to play a central role throughout the year, despite a local government contract ending in October '21. SVS worked closely with the Public Heal team to provide volunteers to assist with vaccine centres across the city, and volunteers contributing to other local services, which were unable to operate due to Covid, were redeployed in the vaccine roll-out. Following the loss of funding mentioned above, SVS has redeployed the volunteer development worker onto other strands of work, albeit at reduced hours. This has left a **substantial gap** in the citywide volunteering development offer, and we continue to seek funding for SVS to continue to promote best practice in volunteering, raise the profile of volunteering, celebrate volunteering, and ensure volunteer involving organisations have a strong voice.

The **loss of this funding** means we are also not able to take a more targeted approach to volunteer recruitment by identifying groups who are underrepresented in volunteering data and undertaking subsequent campaigns. Our push to promote "supported volunteering", for those with additional support needs has also been put on hold due to resource limitations. It is a source of some frustration that despite the **impact of volunteering** throughout the **pandemic** the local system has not been able to identify the small amount of money needed to continue this important work. Our efforts will continue to fundraise for this work, to continue to support a **vibrant volunteering infrastructure** in the city.

Throughout the year SVS has maintained its monthly **Friday Forum** VCSE meetings, continuing to meet online. Topics have been diverse: NHS restructure; Green Network launch; Volunteering showcase; NCVO Future of the Sector; Collaborating with Business Sector; Meet SCC Exec Directors; Community Participatory Action Research; Meet University of Southampton Vice Chancellor; Physical Activity showcase; City of Culture 2025 bid. Between 15 and 65

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2022 (continued)

local organisations have attended each these forums and have been able to have an amplified voice, make connections, share information, and collaborate.

Given the depth and breadth of SVS' networks we have been able to continue our **representative, leadership and advocacy** function at **Strategic Partnerships** within the City. This has included Southampton Connect, Safe City Partnership, Adult's and Children's Safeguarding Boards, and the Health and Wellbeing Board (through Healthwatch Southampton membership), amongst other. This ensures the voice of the sector is represented to decision makers across the city, and the sector can have some level of influence in local policy, whilst also joining up the dots for further citywide collaborative efforts.

Also, in terms of strategic representation, has been the work undertaken at the beginning of the financial year to better understand the sector's needs in terms of buildings. The analysis and findings of this survey work have been fed into a **citywide strategic estates review** undertaken by SCC and local NHS. As Covid figures continue to fall we plan to revisit this work in terms of changing organisational needs and the city's move to a locality working model.

SVS' role in providing **services to the public** has changed considerable in the last ten years. Reasons behind this change are multi-faceted, and include services being taken back in-house at the local authority, decommissioning of services, a move from grants to local government contracts, amongst others. The local sector has also matured during this period, and delivery work in which we may have previously taken an interest is now potentially better served by other local organisations.

Over the period covered by this report SVS has focused on collaboration with our partner VCSE organisations in the delivery of public facing work – as demonstrated above through SO:Linked developments; this has included flow-through funding to these organisations, and is a model that promotes resourced collaboration. This area will be further interrogated with stakeholder input through our strategic planning exercise.

Contracted services we continue to deliver include **Healthwatch Southampton** and **City Shopmobility**, with **Community Roots** independently funded.

Healthwatch Southampton (HWS) has undertaken two pieces of proactive insight work over the last year. The **Care Home Project** looked at the lived experience of care home residents, unpaid carers and relatives, and care home staff during the pandemic. This piece of work has been able to shine a light on the positive human stories that emerged from this challenging period, whilst also highlighting areas of learning. The **Hospital Discharge Project** used a similar methodology to connect with people who had experienced the discharge from hospital pathways; patients, unpaid carers and staff, to again formulate a range of recommendations and learning for the local system.

Direct public cases increased by almost twofold during this period, with a noticeable increase in the complexity of issues presented. Main areas of concern included access to GPs and Dentistry, leading HWS to escalate the issue of dentistry to Healthwatch England and our local system leads.

Due to the pandemic volunteering decreased on the project, as some of these opportunities were not possible, however, the HWS is massively thankful to the ongoing support and direction provided by the volunteer Strategic Group during this time. A full Healthwatch Southampton annual report is published on 30th June 2022.

City Shopmobility remain closed during the lockdowns, which had a knock-on effect in terms of revenue generation. Despite this the project still enabled over **1200 visits** to the amenities and services in Southampton City Centre, providing a lifeline to its members and beneficiaries.

Community Roots remained closed for the entirety of the period. We are thankful to the input of volunteers, SVS staff, and B&Q staff, who helped to keep the allotment in a reasonable shape for reopening on the 1st April 2022. The project will be working closely with local drug treatment service CGL, with a view to aiding in CGL client's recovery journey, and a focus of helping these clients access further training and employment. Our business partner, hospitality group The Ideal Collection, have been severely challenged, as has their entire sector, by the pandemic; however, as they recover, we look forward to their ongoing support in the project's future.

Over the last few years SVS has been involved with the City of Culture 2025 bid, with a particular focus on developing a volunteering strategy. CoC 25 would have been a huge opportunity for the city in bringing communities together and encouraging investment in our local area, so it is with great disappointment we discovered, during the drafting of this report, that Southampton has been unsuccessful. The process of developing the bid has seen a huge amount of engagement with local communities, and has brought together the public, private and VCSE sectors in a way we have

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2022 (continued)

rarely seen. The challenge for the city now will be to build on the foundations of the bid and make a real difference to the city; a challenge to which all partners, I'm sure, will rise.

Finally, a massive thanks to all SVS staff, volunteers, and trustees for your respective contributions over what has continued to be an incredibly challenging period. You, our people, are SVS' biggest asset, and we couldn't do what we do without your teamwork, creativity and energy. On a personal note, you have also enabled me to have a very smooth transition into the CEO role, and I thank you all for your ongoing support. Thanks, are also due to our partners, supporters and funders, and SVS looks forward to your ongoing support into the future.

The Role of Volunteers in our Service Provision

In all aspects of SVS work and service delivery we have teams of active volunteers who enhance our work and the services we offer to the public. Some of our SVS volunteers have themselves experienced unemployment, whilst others have additional support needs or are in recovery from addictions or health problems, so our experience in working with and involving them provides an excellent grounding for the work we do in encouraging others to actively involve volunteers. Unfortunately, due to COVID-19 restrictions, directly managed volunteer opportunities have seen a large reduction as our building and some services have been closed. However, SO:Linked did coordinate a variety of neighbourhood based volunteering linked to the COVID response.

SVS is proud and infinitely grateful for the commitment and contribution in terms of creativity, enthusiasm and the substantial donation of all our volunteers' time and effort, which to us is priceless. However, this contribution can be quantified in monetary value using the 2019 provisional median earnings from ASHE by Office of National Statistics. This means the sum of **882** volunteer hours contributed by approximately **10** volunteers is equivalent to **£14,565**; a massive contribution and we thank each and every one of you.

Financial review

Financial overview

This is an increasingly challenging time within our sector with major funding uncertainties, a turbulent external environment and the increasing impact of procurement and tendering. We continue to face uncertainty over parts of our income and to deal with late decisions over funding income, but we plan recognising that these are aspects of the environment in which we operate. In this context, **SVS achieved a planned outcome for the year with a net expenditure in its unrestricted general fund of £ 4,947 (note 13).**

Restricted funding will by its nature involve situations where funds are received in one year and spent in a different year, resulting in situations where net surpluses or deficits arise. In the current year our total Restricted funding reserves increased by £72,864 (2021: increase £67,817). Our reserves policy is set out in more detail below.

Our continued requirement to recognise the deficit in the pension scheme has resulted in an decrease of liability £135,000 (2021: decrease £70,000) for the Hampshire County Council ("HCC") Pension Fund. Net service cost £13,000 (2021: £19,000) (in addition to £10,000 (2021: £15,000) of normal contributions) and a gain of £148,000 relating to the total actuarial assumptions. (2021: gain £89,000).

The net movement in funds was £202,917 (2021:£187,157).

The SVS Balance Sheet remains appropriate for an organisation of our size, with appropriate liquidity.

Accounting for pensions

We have continued to account for pensions as required by FRS102. The pension fund actuaries have calculated SVS's share of the fund deficit to be £156,000 (2021: £291,000). **We continue to consider that the existence of the current pension fund deficit has no impact on our ongoing activities.**

The actuaries advise that the disclosures under the required accounting can change dramatically depending on stock market and bond market conditions and this leads to volatility in the level of the year end deficit or surplus. While the Charity Commission, through SORP 2019, require compliance, they also recognise that a pension fund surplus or deficit is of a different nature to a charity's other assets or liabilities and stipulate that no impact on the level of free reserves and that instead a separate pension reserve is established.

Specifics

Total incoming resources amounted to £911,782 compared with £944,084 for 2021, a decrease of c3.5%. Total resources expended amounted to £856,865, an increase of c1% compared with the previous year's figure of £845,927. Total funds at the year end amounted to £1,596,293 (2021: £1,393,376) which is made up as follows:

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2022 (continued)

		2022	2021
	£ £		
Restricted reserves	- held for future project expenditure	374,606	301,742
Designated reserves	- set aside for VAC depreciation and for essential future operating expenses	1,295,729	1,295,729
General reserves	- see below	81,958	86,905
Pension reserve	- as discussed above	(156,000)	(291,000)
Total funds		1,596,293	1,393,376

General reserves now stand at £81,958 (2021: £86,905). The decrease of £4,947 comprises the unrestricted surplus before actuarial gains of £148,000 which are accounted within the Pension reserve movement. As shown below, general reserves are in the form of current assets (97%) and fixed assets (3%) which will be depreciated over future years:

	2022	2021
	£	£
Fixed assets	2,129	4,261
Current assets – free reserves	79,829	82,644
Total general reserves	81,958	86,905

The Charity's free reserves may decrease significantly, as future essential expenditure on fixed asset replacement becomes inevitable. Accordingly, these reserves are held principally to give some protection against future uncertainties and are not available for short-term expenditure.

Principal funding sources

Voluntary Sector Support and Promoting Volunteering and Voluntary Action are funded through contracts from **Southampton City Council (SCC)** together with sizeable contributions from the **NHS Hampshire, Southampton and Isle of Wight Clinical Commissioning Group**, and various smaller funding streams, some of which also derive from SCC. The SVS Services are primarily funded through a mix of grants, contracts and charitable trusts.

Fundraising policy

SVS welcomes donations and in kind contributions from business and other supporters, especially with respect to our service delivery work to the public. SVS undertakes limited fundraising from the general public to support its voluntary sector support work where it is compatible with our aims and supportive to the many of the voluntary and community groups that we exist to support. SVS Services maintain annual fundraising activities to sustain their basic services and these have been increased universally in the past year in response to the constraints of public funding in order to ensure their sustainability to meet public needs.

The Charity conducts all of its fundraising activity in line with the Fundraising Regulator Code of Fundraising Practice and is pleased to confirm that it has received no complaints in relation to its fundraising activity over the course of the 2021-22 year.

Investment policy

The Executive Committee, having regard to the liquidity requirements of the charity and the reserves policy, have reviewed and operated a policy of keeping available funds in competitive interest bearing deposit accounts and seek to achieve a rate of deposit interest which matches or exceeds inflation as measured by the retail prices index. However, due to the current economic climate, we have several fixed term bonds and are achieving slightly less than the current RPI inflation rate.

The Executive Committee, mindful of public concern regarding the liquidity of banking institutions, periodically review the allocation of funds to individual banks and have diversified the range of accounts held to maximise protection of funds under the banks guarantee system. The Executive Committee believes that SVS would be eligible to receive compensation through the Financial Services Compensation Scheme on the failure of a UK registered bank, and considers that investment in four banks both minimises the risk of losing charitable funds and the risk of losing liquidity due to bank failure.

Remuneration Policy

The Directors and the board of Trustees and the senior management team comprise the key management personnel of the Charity.

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2022 (continued)

The charity Trustees ultimately hold the responsibility for setting the remuneration levels for the staff within the organisation including the senior staff. The individual salaries of senior staff members still remain lower than £50,000.

In 2013 the Executive Committee elected to move away from the NJC pay scales and to adopt a more standardised approach to pay structures and allow the organisation to focus on narrowing the gap between the highest and lowest paid staff. They chose to review any salary increase/pay award on a fixed amount rather than the percentage increase previously used, thus reducing the gap to attract and keep appropriately qualified staff. In line with our commitment to our lowest paid staff we have also adopted the Living Wage scheme within the organisation.

As at the 31st March 2022 we calculated our gender pay gap as follows:-

Median and mean male & female hourly earnings :-

	Male Hly Earnings	Female Hly Earnings	Difference	Single Figure Pay gap %
Median	19.09	18.71	0.38	1.99%
Mean	19.10	18.71	0.39	2.02%

Mean male & female hourly earnings by quartile:-

	Mean Male Hly Earnings	Mean Female Hly Earnings	Difference	Mean single figure pay gap %	% Male	% Female
Quartile 1	24.94	0	24.94	-	100%	0%
Quartile 2	0	18.71	-18.71	-	0%	100%
Quartile 3	0	18.71	-18.71	-	0%	100%
Quartile 4	13.25	0	13.25	-	100%	0%

Reserves policy

The Executive Committee has examined SVS's requirements for reserves in light of the main risks to the organisation and in line with its policy to do so on an annual basis following detailed scrutiny and recommendations by its Finance sub-committee which is itself guided by the Charity Commission guidance on charity reserves. In light of the increased uncertainty around public sector funding and the unprecedented times during the Pandemic, the Executive committee has reviewed its position and feel that due to recent experience and the prevailing climate, a more prudent approach is currently required and that its policy should be strengthened so that the unrestricted funds and restricted project funds not committed or invested in tangible fixed assets held by the charity, should be at least 6 and if possible 12 months of the expenditure together with our best estimate of future capital expenditure in order to provide sufficient time to seek alternative funding or to properly wind down services if absolutely necessary in the event of loss of public sector funds. This is consistent with our assessed risk register which the Executive Committee and senior staff jointly review overall on annual basis and as required when substantive changes or developments occur relevant to specific areas identified on the risk register.

The charity needs reserves to enable it to continue to operate as an ongoing concern. The Executive Committee consider the reserves held on the balance sheet to be at an adequate level, as set out further below, to meet their responsibilities and commitments, protect and advance its current activities.

Based on budgeted expenditure for the year commencing 1st April 2021, the target is for free reserves of between £75,000 and £150,000 in unrestricted funds and of between £375,000 and £750,000 in restricted project funds. The reserves are needed to meet the working capital requirements of the charity and the Executive Committee are confident that at this level they would be able to continue in the short term the current activities of the charity in the event of a significant drop in funding.

The present level of free unrestricted reserves, being the unrestricted reserves excluding those represented by fixed assets and those held for designated purposes, is £79,829 which falls within the target. The Executive Committee are

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2022 (continued)

satisfied that the level of free reserves is acceptable having taken note of SVS's policy of increasing reserves together with the existence of certain designated reserves, and also recognising SVS's expected future capital expenditure. The present level of free restricted reserves, being restricted reserves excluding those represented by fixed assets, is £374,606. The Executive Committee has concluded that these reserves are adequate based on the SVS Projects' policy of increasing reserves. In the short term the Executive Committee has also considered the extent to which existing activities could be curtailed, should such action be required. In volatile financial circumstances, having adequate reserves has meant that we have been able to avoid issuing precautionary redundancy notices linked to SCC or other bodies grants and tendering outcomes.

Future Sustainability and The Green Agenda

As part of our commitment to the Green Agenda we are now monitoring our carbon footprint. We currently have two buildings for which we will monitor. Our starting point this year is far less than normal due to the pandemic and the closure of both buildings for almost a year, however we will make direct comparisons in the next year. We also have solar panels which return to the grid.

Plans for the future period

Our established cycle of three year forward planning is currently less suited to the unprecedented level of uncertainty we are facing, as detailed elsewhere in this report. SVS Executive Committee are therefore taking a year by year approach to planning, supported by members' views articulated in the SVS membership survey.

Structure, governance and management

Governing document and member organisations

Southampton Voluntary Services (SVS) is a **charitable company** limited by guarantee. The company was established under a Memorandum of Association which stated the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are each required to contribute an amount not exceeding £1. There are currently over **490 members**, mainly voluntary and community organisations that operate in Southampton and the surrounding area.

Recruitment and Appointment of Executive Committee

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Executive Committee. Under the requirements of the Memorandum and Articles of Association the members of the Executive Committee are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting, at which time members also vote annually for the Chair, Vice Chair and Honorary Treasurer. There are two trustees who are Councillors nominated by Southampton City Council.

All members of the Executive Committee give their time voluntarily and received no benefits from the charity. Expenses reclaimed from the charity are set out in note 2 to the accounts.

The Executive Committee monitors the skill requirements for the trustee body and carries out periodic specific reviews of skills and sector experience. When additional trustees are required or a trustee retires, nominations for election are sought from member organisations and vacancies are filled by suitable co-options in the interregnum.

Trustee induction and training

New trustees receive a detailed induction pack (including the Memorandum and Articles, the latest financial statements and the Charity Commission's guide "the Essential Trustee") and have an induction meeting with the Chief Executive. Feedback from new trustees about their induction has been very positive. Additionally, new and existing trustees are invited and encouraged to attend the regular trustee training sessions available to trustees of all member organisations via the SVS Trustee Development Programme. An annual Financial Management briefing is provided for the whole Executive Committee. The Trustee induction pack has been reviewed and updated during the year.

Risk management

The **Risk Assessment Report** is updated and reviewed annually by the Executive Committee, focusing on the major external and internal risks to which the charity is exposed. The new Charity Commission guidance was used to prepare and review the risk assessment, alongside guidance on risk assessing different aspects and impact areas due to Covid-19.

The key risks identified in the 2021/22 risk assessment exercise were broadly in line with the previous reviews with an additional focus on issues raised by the Covid-19 pandemic:

- short-term initiatives, arrears / outcome funding, late signing of contracts, delayed payments and adequacy of reserves to meet obligations diminishing funding pots and increased competition;

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2022 (continued)

- the loss of a key contracts from the increased pressures associated with tendering and procurement practices and reduced public expenditure and the associated reduction of services being commissioned
- changed political priorities from national and local government;
- demographic and social changes with poverty and social exclusion, high deprivation and an increasing strain on SVS's scarce resources including capacity to fully harness changes in the volunteering profile and enquiries;
- the charity's financial planning being adversely impacted by funding uncertainties and the impact of the other key risks set out here;
- increases in cost of living affecting beneficiaries and the financial stability of the charity, particularly in relation to longer term fixed-price contracts.
- reliance on key staff and impact on organisational memory in case of leaving;
- data security and safety; risk of cyberattack and potential for inadvertent breaches of GDPR;
- staff health and wellbeing in light of remote working during the pandemic;
- ability to deliver on contracts due to pandemic;
- financial pressures due to decreased revenue and fundraising opportunities;
- robustness of digital systems to safely operate in a remote working environment;

The Executive Committee ensures, where appropriate, that systems or procedures are in place to mitigate the risks the charity faces as identified through the comprehensive risk review process, including both the key risks set out above and other lesser risks.

Organisational Structure and Governance

The organisational governance and management is headed up by an **Executive Committee** which meets five times a year. The Executive Committee consists of elected and nominated trustees. The Executive Committee is responsible for the strategic management of all current work and for the oversight of development in line with its Vision, Mission Statement and Charitable Objects. At present the Committee has ten members from a variety of professional backgrounds relevant to the work of the charity. The Company Secretary also attends the Committee but has no voting rights. The Committee has adopted the Good Governance Code for the Voluntary and Community Sector.

The Executive Committee is supported by the **Finance sub-committee** who scrutinise the details of the management accounts, look at relevant financial issues and make recommendations to the full Executive Committee, including in respect of the Executive Committee's annual review of financial policies. This Committee also communicate with SVS's external Independent Examiner and make recommendations in respect of the external Independent Examiner appointment, reporting back to the Executive Committee; receiving an unqualified examination opinion from a reputable accountancy firm is a key ongoing priority. The work of the Finance sub-committee includes an annual review of the Charity Commission internal financial control self-checklist for charities.

The day to day **management** of the organisation is delegated to the Chief Executive, Mr R Kurn, who reports regularly to the Executive Committee and is also the Company Secretary. Line management arrangements through team leaders are in place as is regular supervision for staff and volunteers as well as a Joint Progress Review process.

Related parties

The relationships between the charity and related parties, together with details of any related party disclosures, are set out in note 2 to the financial statements.

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Trustees are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;

Southampton Voluntary Services

Report of the Executive Committee for the year ended 31 March 2022 (continued)

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity, and enable them to ensure that the financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the charity's website is the responsibility of the Trustees. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Members of the Executive Committee

Members of the Executive Committee, who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant financial information of which the company's independent examiner is unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant independent examiners' information and to establish that the charity's independent examiner is aware of that information.

The financial statements have been prepared in accordance with Accounting & Reporting Charities: Statement of Recommended Practice applicable in the UK and Republic of Ireland (FRS102) (Effective 1 January 2019) – (Charities SORP(FRS102)), Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Approved by the Executive Committee on 14th September 2022 and signed on its behalf by:

K Liles
Chair



C Rogers
Treasurer



Southampton Voluntary Services

Independent Examiner's Report to the Trustees of Southampton Voluntary Services

For the year ended 31 March 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SOUTHAMPTON VOLUNTARY SERVICES

Independent examiner's report to the trustees of Southampton Voluntary Services ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

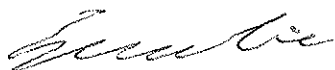
Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ICAEW which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

S Mackie FCA
Morris Crocker
Chartered Accountants
Station House
North Street
Havant
Hampshire
PO9 1QU



Date: 20th September 2022

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Southampton Voluntary Services

Statement of financial Activities (including Income & Expenditure Account)

For the year ended 31 March 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income					
<i>Income from charitable activities</i>	10	7,166	903,258	910,424	941,739
<i>Income from other generated funds:</i>					
Investment income	11	1,171	-	1,171	2,306
Other income		187	-	187	39
		1,358	-	1,358	2,345
Total income	19	8,524	903,258	911,782	944,084
Expenditure					
<i>Charitable activities:</i>					
<i>General expenditure</i>	12	13,471	830,394	843,865	826,927
<i>Pension scheme net service cost</i>	3h	13,000	-	13,000	19,000
<i>Charitable activities expenditure</i>		26,471	830,394	856,865	845,927
Total expenditure	19	26,471	830,394	856,865	845,927
Net (expenditure)		(17,947)	72,864	54,917	98,157
Other recognised gains and losses					
<i>Actuarial gains on defined benefit pension schemes</i>	3m	148,000	-	148,000	89,000
Net movement in funds		130,053	72,864	202,917	187,157
Reconciliation of funds					
Total funds brought forward		1,091,634	301,742	1,393,376	1,206,219
Total funds carried forward	13, 14	1,221,687	374,606	1,596,293	1,393,376

The notes on pages 18 to 28, incorporating the Accounting Policies on pages 18 to 19, form part of these accounts.

The Statement of Financial Activities includes all gains and losses recognised in the year.

All amounts relate to continuing activities.

Southampton Voluntary Services
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	4	588,101	616,760
Current assets			
Debtors	5	119,876	159,232
Cash at bank and in hand		1,131,636	985,898
		1,251,512	1,145,130
Liabilities			
Creditors: amounts falling due within one year	6	87,320	77,514
Net current assets		1,164,193	1,067,616
Net assets excluding pension liability		1,752,294	1,684,376
Defined benefit pension scheme liability	3g	156,000	291,000
Net assets including pension liability		1,596,293	1,393,376
The funds of the charity			
Restricted funds	14	374,606	301,742
Unrestricted funds:			
Designated	13	1,295,729	1,295,729
General	13	81,958	86,905
Unrestricted income funds excluding pension reserve		1,377,687	1,382,634
Pension reserve	3g, 13	(156,000)	(291,000)
Total unrestricted funds	13	1,221,687	1,091,634
Total charity funds		1,596,293	1,393,376

The notes on pages 18 to 28, incorporating the Accounting Policies on pages 18 to 19, form part of these accounts.

For the financial year in question the company (03515397) was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These financial statements were approved by the Board on 14th September 2022 and were signed on its behalf by:


K Liles
 Chair

C Rogers
 Treasurer



Southampton Voluntary Services
Cash Flows as at 31 March 2022

Statement of cash flows for the year ended 31st March 2022

	Note	2022 £	2021 £
Cash used in operating activities	17	144,567	80,815
Cash flows from investing activities			
Investment Income		1,171	2,306
Cash provided by investing activities		1,171	2,306
(Decrease) in cash in the year		145,738	83,121
Cash at the beginning of the year		985,898	902,777
Total cash at the end of the year		1,131,636	985,898

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2022

1 Accounting policies

1(a) Basis of preparation

Southampton Voluntary Services is a charitable Company limited by Guarantee. The company is registered in England and Wales and its registered office is set out on page 2

The financial statements have been prepared in accordance with Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

The charity is a public benefit entity and considered by the Trustees to be a going concern.

1(b) Funds structure

Funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the objects at the discretion of the trustees;
- Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects; or
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are given for particular restricted purposes or where the funder requires any surpluses under services agreements to be retained for that specific project.

1(c) Income

Income from charitable activities arises solely in the UK and includes income received under grants, contracts and service level agreements. Amounts related to future periods are shown as deferred income.

Incoming resources are recognised when the charity's entitlement to the resources is confirmed, it is probable that the resources will be received and they can be measured with reliability.

1(d) Expenditure – direct charitable, governance and support costs

Expenditure is recognised on an accruals basis.

Most expenditure is directly categorised as expenditure on charitable activities. The benefit of this direct categorisation of resources expended is that there is no unallocated expenditure or 'support costs'.

1(e) Tangible fixed assets

Tangible fixed assets are depreciated on a straight line basis over their estimated useful lives as follows:

Asset category	Useful life
Voluntary Action Centre (VAC)	40 years
Office & project equipment	5 - 20 years
Computer equipment	2 years

No depreciation is provided on the land element of the Voluntary Action Centre.

All assets of £1k are capitalised and full year depreciation is applied on year of acquisition.

1(f) Impairment of assets

Assets that are subject to depreciation are assessed at each reporting date to determine whether there is an indication that the assets are impaired. Where there is an indication that an asset may be impaired, an impairment loss is recognised for the amount by which the assets net book value exceeds its recoverable amount. The recoverable amount is the higher of its fair value or its value in use. As the assets are held for the charitable service potential to its beneficiaries, it is appropriate to regard value in its use as the assets service potential measured by its replacement value. The replacement cost is the lowest economic cost that would be incurred in replacing the assets service potential.

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2022

1(g) Pensions

Contributions to defined contribution schemes are charged to the SOFA in the year payable.

The difference between the fair value assets in the defined benefit pension scheme (see note 3) and the scheme liabilities measured on an actuarial basis are recognised in the Charity's balance sheet as a pension asset or liability as appropriate.

Changes in the defined benefit pension scheme asset or liability arising from factors other than the cash contribution by the charity are charged to the Statement of Financial Activities as charitable expenditure or other recognised gains and losses in accordance with FRS102.

1(h) Flow through funding

The charity deals with the onward payment of costs on behalf of some other organisations. These sums are excluded from both incoming and expended resources on the basis that they do not represent incoming or expended resources for the charity itself. The amount of flow through incoming and outgoing funds during the year were £169,280 (2021: £10,000) and £98,679 (2021: £73) respectively and the funding held at the year end was £103,263 (2021: £32,662).

1(i) Debtors

Trade and other debtors, relating mainly to grant monies due, are recognised on the Balance sheet. Prepayments are valued at the amount prepaid.

1(j) Cash and Bank

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account

1(k) Creditors

Creditors are recognised where the charity has the present obligation resulting from a past event will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

1(l) Financial instruments

The charity has the financial assets or financial liabilities of a kind that qualify as basic financial instruments. The basic financial instruments are recognised at transaction value and recognised at their settlement value.

1(m) Judgements and applying accounting policies and key sources of estimation uncertainty.

In preparing these financial statements, the directors have made the following judgements

- Determine whether there are indicators of impairments of fixed assets. Factors taken into consideration in reaching a decision include the service potential of the property and its underlying replacement cost.

In preparing the accounts key areas of estimation have been made

- Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and the residual values are assessed annually and may vary depending on a number of factors. In reassessing asset lives, factors such as charitable use and maintenance programmes are taken into account.
- A provision is made for the deficit arising on the charity's share of the Local Government Pension Scheme. The trustees review the underlying actuarial assumptions and make the appropriate judgments and changes required as suitable to the charity.

2 Related party disclosures

2(a) Control of the charity

Throughout the year, the charity was controlled ultimately by its members who meet annually at the Annual General Meeting. The directors elected by the members govern the affairs of the charitable company between Annual General Meetings.

2(b) Directors / trustees remuneration and expenses

No remuneration was paid to any directors / trustees in the year and no director / trustee waived the right to any remuneration in the year. Trustee expenses have been reimbursed in the year to the value of £Nil (2021: £Nil).

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2022

3 Pension disclosures

Two of the permanent employees of this charity are members of the Hampshire County Council pension fund. This is a contributory defined benefit pension scheme. The detailed disclosures in connection with this fund required by FRS 102 are given below, and the impact of including FRS 102 in these accounts is commented on in the Trustees Report.

The remaining SVS staff are not admitted to the HCC scheme and have been offered stakeholder pensions since October 2001. Since April 2009 staff have been offered the opportunity to benefit from matched pension contribution funding whereby SVS match employee contributions to the stakeholder scheme up to 3% pa.

FRS 102 disclosures

3(a) Introduction

The disclosures below relate to the funded liabilities within the Hampshire County Council Pension Fund (the "Fund") which is part of the Local Government Pension Scheme (the "LGPS"). The funded nature of the LGPS requires Southampton Voluntary Services and its employees to pay contributions into the Fund, calculated at a level intended to balance the pensions liabilities with investment assets.

The fund is a multi-employer scheme and the assets are not formally allocated to the employers within the fund and are not the legal property of any employer in the Fund. The assets of the group are notionally allocated to the group in proportion to each members liabilities in the latest funding valuation. The notional asset is updated following each triennial actuarial valuation. In the intervening years the valuation is rolled forward based upon the known and estimated investment returns since the valuation and known and estimated cashflows used to roll forward the value of the liabilities since the valuation. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projection unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to scheme liabilities. The actuarial valuations are obtained triennially and are updated at the balance sheet date. The resulting defined benefit asset or liability is presented separately after other net assets on the face of the balance sheet. For the defined contribution schemes the amounts charged to the statement of comprehensive income in respect of pension costs and other post-retirement benefits represent the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

In accordance with Financial Reporting Standards, disclosures of certain information concerning assets, liabilities, income and expenditure relating to pension schemes is required.

3(b) Contributions for the accounting period ending 31 March 2022

The Employer's regular contributions to the Fund for the accounting period ending 31 March 2023 are estimated to be £3k.

Additional contributions may also become due in respect of any employee's discretions to enhance members' benefits in the Fund over the next accounting period.

3(c) Assumptions

The latest actuarial valuation of Southampton Voluntary Services' liabilities took place as at 31 March 2019. Liabilities have been estimated by the independent qualified actuary on an actuarial basis using the projected unit credit method. The principal assumptions used by the actuary in updating the latest valuation of the Fund for FRS 102 purposes were:

3(d) Key assumptions (% per annum)

	2022	2021	2020	2019
Discount rate for liabilities	2.8	2.1	2.3	2.4
RPI Inflation				3.3
CPI Inflation	3.1	2.7	2.1	2.2
Pension Increases	3.1	2.7	2.1	2.2
Pension accounts revaluation rate	3.1	2.7	3.1	2.2
Salary increases	0.0	2.7	0.9	0.0

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2022

3(e) Mortality assumption

The mortality assumptions are based on the recent actual mortality experience of member within the Fund and allow for expected future mortality improvements. Sample life expectancies resulting from these mortality assumptions are shown below.

	2022	2021
Males		
Member aged 65 at accounting date	22.9	23.1
Member aged 45 at accounting date	24.7	24.8
Females		
Member aged 65 at accounting date	25.4	25.5
Member aged 45 at accounting date	27.1	27.3

3(f) Asset allocation

The approximate split of assets for the Fund as a whole (based on data supplied by the Fund Administering Authority) is shown in the table below. Also shown are the assumed rates of return adopted by the Employer for the purposes of FRS17.

Value % per annum

	2022	2021	2020	2019	2018
Equities	55.7	57.0	52.7	60.4	62.6
Property	6.9	6.1	7.3	7.6	7.0
Government Bonds	18.0	17.3	21.8	22.7	23.7
Corporate Bonds	0.0	0.0	0.0	5.2	1.0
Multi Asset Credit	9.2	0.0	0.0	0.0	0.0
Cash	0.9	1.4	2.0	2.3	2.6
Other	9.3	18.2	16.2	1.8	3.1
Total	100.0	100.0	100.0	100.0	100.0

3(g) Reconciliation of funded status to balance sheet

	2022	2021	2020
	£000	£000	£000
Fair value of assets	1,288	1,367	1,100
Present value of liabilities	1,444	1,658	1,461
Pension (liability)	(156)	(291)	(361)

The split of liabilities at the last valuation date between the various categories of members was as follows:-

Active Members	63%
Deferred Pensioners	10%
Pensioners	27%

3(h) Amount recognised in income statement

	2022	2021
	£000	£000
Current service cost	16	25
Interest cost	23	34
Interest income on assets	(16)	(25)
Expense recognised	23	34
Expense recognised in:		
Charitable activities – general expenditure	10	15
Charitable activities – pension scheme net service cost	13	19
	23	34

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2022

3(i) Changes to the present value of the defined benefit obligation

	2021	2021
	£000	£000
Opening defined benefit obligation	1,658	1,461
Current service cost	16	25
Interest expense on defined benefit obligation	34	34
Contributions by participants	6	5
Actuarial (gains)/losses on liabilities	(83)	160
Net benefits paid out	(187)	(27)
Closing defined benefit obligation	1,444	1,658

3(j) Changes to the fair value of assets

	2022	2021
	£000	£000
Opening fair value of assets	1367	1,100
Interest income on assets	27	25
Remeasurement gains on assets	65	249
Contributions by the employer	10	15
Contributions by participants	6	5
Net benefits paid out	(187)	(27)
Closing fair value of assets	1,288	1,367

3(k) Actual return on assets

	2022	2021
	£000	£000
Interest Income on assets	27	25
Actuarial gains on assets	65	249
Actual return on assets	92	274

3(l) History of asset values, present value of liabilities and gains/(losses)

	2022	2021	2020	2019	2018
	£000	£000	£000	£000	£000
Fair value of assets	1,288	1,367	1,100	1,227	1,114
Present value of liabilities	1,444	1,658	1,461	1,472	1,432
Deficit	(156)	(291)	(361)	(245)	(318)

3(m) Amount recognised in as actuarial gains in pension scheme

	2022	2021
	£000	£000
Asset gains/(losses) in the year	65	249
Liability losses/(gains) in the year	(83)	160
Amount recognised in SOFA	148	89

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2022

4 Tangible fixed assets

	Voluntary Action Centre £	Office & project equipment £	Computer equipment £	Total £
Cost:				
As at 1 April 2021	1,220,093	151,767	119,635	1,491,495
Additions	-	-	-	-
As at 31 March 2022	1,220,093	151,767	119,635	1,491,495
Depreciation:				
As at 1 April 2021	607,594	147,506	119,635	874,735
Charged in the year	26,527	2,132	-	28,659
As at 31 March 2022	634,121	149,638	119,635	903,394
Net book value:				
As at 1 April 2021	612,499	4,261	-	616,760
As at 31 March 2022	585,972	2,129	-	588,101

All fixed assets are held at historic cost. Included in Voluntary Action Centre is £159,000 of freehold land which has not been depreciated.

5 Debtors

	2022 £	2021 £
Grants receivable	117,664	156,814
Other debtors	2,212	2,418
	119,876	159,232

All amounts are due within one year from the balance sheet date.

6 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	4,847	955
Accruals & Deferred Income	82,473	76,559
	87,320	77,514
Deferred Income	2022	2021
	£	£
Brought Forward	65,000	-
Amount released to Income Resources	(65,000)	-
Amount Deferred in the year	-	65,000
	-	65,000

7 Analysis of Net Assets between funds

		Fixed assets £	Net current assets £	Pension scheme liability £	Total £
Restricted funds	14	-	374,606	-	374,606
Unrestricted funds:					
Designated funds	13	585,972	709,757	-	1,295,729
General funds	13	2,129	79,829	-	81,958
Pension reserve	3g	-	-	(156,000)	(156,000)
At 31 March 2021		588,101	1,164,192	(156,000)	1,596,293

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2022

		Fixed assets	Net current assets	Pension scheme liability	Total
		£	£	£	£
Restricted funds	14	-	301,742	-	301,742
Unrestricted funds:					
Designated funds	13	612,499	683,230	-	1,295,729
General funds	13	4,261	82,644	-	86,905
Pension reserve	3g	-	-	(291,000)	(291,000)
At 31 March 2021		616,760	1,067,616	(291,000)	1,393,376

8 Net (expenditure) for the year

	2022	2021
	£	£
Net (expenditure) for the year is stated after charging:		
Depreciation	23,659	28,659
Independent Examination (including VAT)	1,100	1,100

9 Staff Costs

	2022	2021
	£	£
Salaries and wages	347,178	322,849
Social security costs	27,560	25,415
Pension costs:		
HCC Pension Fund – cash basis	9,456	14,512
Stakeholder scheme – matched contributions	10,383	5,366
	394,577	368,142

No employees received remuneration in excess of £50,000 (2021: nil).

Key Management personnel comprise of the Chief Executive Officer, the Deputy Chief Executive Officer and the Finance Controller. The total benefits received by key management was £133,708 (2021: £152,640)

Average number of employees:

	2021	2021
Project workers (full time)	2	2
Management and administration (full time)	4	3
Project workers (part time)	11	12
Management & Administration (part time)	8	8
	25	25

10 Income

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Unrestricted income:				
Southampton City Council	-	-	-	-
Office & Other	7,166	-	7,166	8,854
Restricted income (note 14):				
Restricted Projects	-	850,129	850,129	891,884
Shopmobility	-	53,129	53,129	41,001
	7,166	903,258	910,424	941,739

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2022

11 Investment income

All of the charity's investment income arises from interest bearing deposit accounts.

12 Expenditure

	Unrestricted funds	Restricted funds	Total 2022	Total 2021
	£	£	£	£
Core management & support costs	13,471	-	13,471	(38,141)
Restricted expenditure (note 14):				
Restricted Projects	-	782,148	782,148	812,567
Shopmobility	-	48,246	48,246	52,501
	13,471	830,394	843,865	826,927

13 Unrestricted funds

	Note	At 1 Apr 2021	Movement	Transfers	At 31 Mar 2022
		£	£	£	£
<u>Designated funds</u>					
VAC		612,499	-	(26,527)	585,972
Property		457,594	-	26,527	484,121
Staffing reserve		142,636	-	-	142,636
Building maintenance		30,000	-	-	30,000
Computer and office equipment		20,000	-	-	20,000
Legal		33,000	-	-	33,000
		1,295,729	-	-	1,295,729
<u>General funds</u>					
General reserve		86,905	(4,947)	-	81,958
<u>Other funds</u>					
Pension reserve	3g	(291,000)	135,000	-	(156,000)
Total unrestricted funds		1,091,634	130,053	-	1,221,687

	Note	At 1 Apr 2020	Movement	Transfers	At 31 Mar 2021
		£	£	£	£
<u>Designated funds</u>					
VAC		639,026	-	(26,527)	612,499
Property		431,067	-	26,527	457,594
Staffing reserve		142,636	-	-	142,636
Building maintenance		30,000	-	-	30,000
Computer and office equipment		20,000	-	-	20,000
Legal		33,000	-	-	33,000
		1,295,729	-	-	1,295,729
<u>General funds</u>					
General reserve		37,565	49,340	-	86,905
<u>Other funds</u>					
Pension reserve	3g	(361,000)	70,000	-	(291,000)
Total unrestricted funds		972,294	119,340	-	1,091,634

The VAC depreciation reserve was set up when the Voluntary Action Centre was built in 2003 and represents the remaining net book value of the VAC. Each year a transfer is made to release from the reserve into the Property

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2022

fund an amount equal to the annual property depreciation. The total of these two reserves equates to the cost price of the VAC less impairment provisions.

The other designated reserves are funds set aside for specific purposes essential for the future operation of the charity in the short to medium term. Transfers are made between these funds and the general reserve as required. The Pension reserve was set up as a result of the implementation of SORP 2005 and continued under SORP 2015. This introduced the new heading of "Defined benefit pension scheme liability" into the assets and liabilities section of the balance sheet, matched by the introduction of a specific negative Pension reserve in unrestricted funds.

14 Restricted funds

	At 1 Apr 2021	Incoming resources	Outgoing resources	Transfers	At 31 Mar 2022
	£	£	£	£	£
<u>Voluntary Sector Support</u>					
Community development /capacity building	115,923	43,789	(85,087)	-	74,625
Health	49,428	65,826	(33,701)	-	81,553
Voluntary sector training	13,158	-	(3,170)	-	9,988
Community Roots	25,813	0	(214)	-	25,599
Healthwatch	37,242	178,891	(176,739)	-	39,394
Fairness Commission	2,747	-	-	-	2,747
Pippa	5,061	-	-	-	5,061
VAC contributions	8,659	-	-	-	8,659
SO Linked	17,063	465,617	(440,211)	-	42,469
HMRC JRS	-	6,695	(6,695)	-	-
SO Lets Connect	13,402	89,000	(17,539)	-	84,863
Buildings & Innovations	24,839	311	(18,792)	-	6,358
<i>Total – Voluntary Sector Support</i>	<i>313,335</i>	<i>850,129</i>	<i>(782,148)</i>	<i>-</i>	<i>381,316</i>
<u>Projects</u>					
Shopmobility – General fund	-	53,129	(48,246)	-	4,883
Shopmobility – Charitable and other funds	(11,593)	-	-	-	(11,593)
Subtotal – Shopmobility	(11,593)	53,129	(48,246)	-	(6,710)
<i>Total – Projects</i>	<i>(11,593)</i>	<i>53,129</i>	<i>(48,246)</i>	<i>-</i>	<i>(6,710)</i>
	<i>301,742</i>	<i>903,258</i>	<i>(830,394)</i>	<i>-</i>	<i>374,606</i>

	At 1 Apr 2020	Incoming resources	Outgoing resources	Transfers	At 31 Mar 2021
	£	£	£	£	£
<u>Voluntary Sector Support</u>					
Community development /capacity building	97,876	117,896	(99,849)	-	115,923
Health	37,173	40,048	(27,793)	-	49,428
Voluntary sector training	17,989	-	(4,831)	-	13,158
Community Roots	25,924	0	(111)	-	25,813
Healthwatch consultation	25,804	188,691	(177,253)	-	37,242
Fairness Commission	2,747	-	-	-	2,747
Pippa	5,061	-	-	-	5,061
VAC contributions	8,659	-	-	-	8,659
SO Linked	12,785	473,950	(469,672)	-	17,063
HMRC JRS	-	21,110	(21,110)	-	-
SO Lets Connect	-	13,402	-	-	13,402

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2022

Buildings & Innovations	-	36,787	(11,948)	-	24,839
<i>Total – Voluntary Sector Support</i>	<i>234,018</i>	<i>891,884</i>	<i>(812,567)</i>	<i>-</i>	<i>313,335</i>
<u>Projects</u>					
Shopmobility – General fund	-	38,268	(38,268)	-	-
Shopmobility – Charitable and other funds	(93)	2,734	(14,234)	-	(11,593)
Subtotal – Shopmobility	(93)	41,002	(52,502)	-	(11,593)
 <i>Total – Projects</i>	 (93)	 41,002	 (52,502)	 -	 (11,593)
	<hr/> 233,925	<hr/> 932,886	<hr/> (865,069)	<hr/> -	<hr/> 301,742

15 Government grants

Income from government contract/grants comprises performance related contract/grants by the local authority to fund the core activities and projects during the year. Revenue funding from the council amounted to £849,278 (2021: £855,936). Cash paid to Southampton City Council amounted to £10,464 (2021: £11,041). Balances included in debtors are £108,863 (2021: £147,985) & creditors are £103 (2021: £94).

16 Corporation Tax

The charity is exempt for tax on income and grants falling within Taxes Act to the extent that there are applied to its charitable objects.

17 Reconciliation of net movement in funds to the net cash flow from operating activities

	2022 £	2021 £
Net Movement in funds	202,917	187,157
Add back depreciation charge	28,659	28,659
Less Investment income	(1,171)	(2,306)
Pension Movement	(135,000)	(70,000)
Decrease/(Increase) in debtors	39,356	(97,279)
Increase in creditors	9,806	34,584
Net cash used in operating activities	<hr/> 144,567	<hr/> 80,815

18 Financial Instruments

	2022 £	2021 £
Financial assets		
Financial assets that are measured at amortised cost	<hr/> 1,251,513	<hr/> 1,145,130
Financial liabilities		
Financial liabilities measured at amortised cost	<hr/> 87,320	<hr/> 77,514

Southampton Voluntary Services

Notes to the Financial Statements for the year ended 31 March 2022

19 Prior year income & expenditure

	Unrestricted Funds	Restricted Funds	Total Funds 2021
Total Income	11,199	932,885	944,084
Total Expenditure	(19,141)	865,068	845,927

