



Merton Voluntary Service Council

(a company limited by guarantee)

Annual Report and Financial Statements Year ended 31 March 2016

Charity Number 1085867

Company Number 04164949

Contents	PAGE
Report of the Trustees for the year ending 31 March 2016	2
Chair's Report	2
Our Objectives and Activities	3
Our Achievements and Performance	4
Financial Review	6
Structure, Governance and Management	9
Independent Examiners Report	12
Reference and administrative details	14
Statement of Financial Activities	16
Balance Sheet	17
Statement of Cash Flows	18
Notes on the accounts	19
Reconciliation of Income and Expenditure	36
Reconciliation of Funds	37

Report of the Trustees for the year ending 31 March 2016

The trustees are pleased to present their annual directors' report and financial statements of the charity for the year ending 31 March 2016 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)

Chair's Report

It gives me great pleasure to present Merton Voluntary Service Council's Annual Report 2016.

Over the past year MVSC has continued to inspire, support and develop the voluntary and community sector in Merton to enrich the lives of residents of the borough.

Our key aims for the year were to:

- Develop and implement MVSC's Strategic Plan
- Focus upon managing funding programmes
- Refreshing and revitalising our VCS strategic representation network – INVOLVE

Key achievements included:

- Reshaping our volunteering offer and support to voluntary and community organisations who involve volunteers
- Diversification of funding for MVSCs work
- Providing support to a number of partnerships of voluntary and community organisations to work collaboratively
- Launched our first Annual Voluntary Sector Conference
- Administering and supporting the development of a range of funding programmes for the voluntary and community sector
- Electing new sector representatives to our Community Engagement Network to sit on various strategic boards and panels in the borough
- Establishing thematic forums of INVOLVE to provide an avenue through which high quality representation and influence can be achieved

We hope you enjoy reading about our achievements this year and plans for the future.



Alec Botten – Vice Chair of Trustees



Sarah Wilson – Treasurer

Our Objectives and Activities

MVSC's mission is *to inspire and develop an excellent voluntary and community sector in Merton*

During the year the objects of MVSC were slightly adjusted, with the consent of our members and the Charity Commission.

MVSC's Objects are:

- i. To promote any charitable purposes for the benefit of the public, principally but not exclusively in the local government area of the London Borough of Merton ... in particular the advancement of education, the furtherance of health, and the relief of poverty, distress and sickness
- ii. To build the capacity of third sector organisations and provide them with the necessary support, information and services to enable them to pursue or contribute to any charitable purpose.
- iii. To promote, organise and facilitate co-operation and partnership working between third sector, statutory and other relevant bodies in the achievement of the above purposes within the area of benefit.

During the year a Strategic Review was undertaken and a new Strategic Plan (2015 - 2018) was developed. This plan outlines a number of Strategic Objectives detailing how MVSC plans to work towards achieving its mission over the 3 years of the plan.

MVSC's Strategic Objectives for 2015 to 2018 are to:

- iv. Provide support to voluntary, community, faith and social enterprise organisations
- v. Build social capital by supporting and developing volunteering and community action
- vi. Identify changing and emerging need and respond with development
- vii. Promote, support and develop liaison, advocacy, joint working and strategic partnership between sectors
- viii. Promote quality through standard setting
- ix. Ensure sustainability

During this year, MVSC's activities were carried out by an average of 15 full time equivalent paid staff, sessional staff and by volunteers, without whom the organisation could not operate effectively.

The charity's Trustees have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission. Our primary beneficiaries are voluntary and community organisations working in the borough. We also work with individuals who wish to make a contribution to social action in their communities through volunteering and establishing new organisations, responding to unmet need in the area.

Our Achievements and Performance

MVSC's achievements during the year included:

Providing support to voluntary, community, faith and social enterprise organisations by

- Extending the reach of our website and regular e-bulletin Merton Connected to keep the voluntary and community sector up to date with local and national news. The bulletin is also used to promote voluntary sector activities and projects to the public sector and wider community. Merton Connected is sent to 4,500 every Monday (a 10% increase on last year) and our website receives around 4,300 hits every week (a 20% increase on last year).
- Providing in-depth support to over 85 organisations on a variety of topics including fund raising and sustainability, project & service development, project management, monitoring and evaluation, governance support, trustee training and recruitment, strategic and business planning, development of appropriate policies and procedures, marketing & promotion (including using social media), finding premises, partnerships and collaboration, staffing.
- MVSC continues to support small and newly formed organisations who do not yet have sufficient resources to rent permanent premises by offering sessional office space.

Build social capital by supporting and developing volunteering and community action by

- Running Healthwatch Merton, whose contract was extended during this year, to enable the local community to have a voice in health and social care services. More information is available in the Healthwatch Merton Annual Report 2015-16.
- Managing the implementation of the Merton Partnership's Volunteering Strategy, working in partnership with a wide range of voluntary and public sector organisations. During this year a major piece of work was the development of *VolunteerMerton*, a hub for volunteering in the borough.
- Supporting volunteers to get involved in their local community. During the year we actively recruited 2,831 volunteers (an 8% increase on last year) to support voluntary and public sector organisations in Merton.

Identify changing and emerging need and respond with development by

- Continuing to provide a comprehensive support service to new and existing groups, covering a wide range of operational management and governance issues.
- Continuing to build links between the business sector and their community through our partnership with Merton Chamber of Commerce on the Merton Means Business project. The Merton Community Fund has made slower progress this year than hoped with regular donations from local businesses and individuals. The first awards from the fund were made during this year, demonstrating the impact of the fund in the local community. We plan to grow the Merton Community Fund in the future, looking at ways by which additional funding can be obtained to support its work.

Promote, support and develop liaison, advocacy, joint working and strategic partnership between sectors by

- Coordinating INVOLVE, the Community Engagement Network in Merton, and introducing thematic forums of INVOLVE to focus upon particular areas of activity. The INVOLVE forum elected representatives to sit on a variety of Partnership boards, to represent the community at important decision making forums. Key items for INVOLVE meetings included; election of representatives, LBMs Children and Young People Plan, Adult Social Care funding, the CCG's vision for health in Merton, The Merton Health and Wellbeing Strategy, involving volunteers with additional needs, Health Help Now, Merton Partnership Conference feedback and the London Healthy Workplace
- Continuing to ensure the accuracy and reliability of our database of local voluntary organisations which is shared via our website and a printed directory.
- Promoting partnership and collaborative working between voluntary and public sector organisations through facilitating joint meetings, making the most of the sectors response through thematic INVOLVE forums.

Promote quality through standard setting by

- Promoting best practice in every aspect of charity management through our team of specialist staff.
- Ensuring we continue to meet the standard of our Quality Awards; NAVCA Quality Award, Volunteer Centre Quality Accreditation, Investors in Volunteers, London Living Wage and PQASSO
- Supporting voluntary sector organisations to achieve quality accreditation.

Ensuring sustainability and Fund Management by

- Administering a range of funds on behalf of public sector partners, ensuring that funding flows to the voluntary sector in a fair, clear and transparent way. The main funds administered this year included: the Health and Wellbeing Fund, Voluntary Sector Grants Fund, the Local Estate Allocation Fund and Local Assist Fund on behalf of Merton Priory Homes.
- Ensuring Voluntary and Community Sector engagement in the design and delivery of grant and commissioning programmes.
- Holding funds for new or small groups whilst they establish the necessary infrastructure to manage their own funds, or for groups that are in the process of closing down.

Financial Review

Income Generation

Total incoming resources reduced to £849,538 (from £1,120,234) due to changes in projects and activities.

MVSC manages a range of grants funds on behalf of the public sector, including holding and distributing funds. The total of these grant funds is recognised in restricted income, however it is worthwhile noting that these funds are not used in direct charitable expenditure rather given to organisations as grants. During this year the total of this income was £180,552.

Restricted Funds

MVSC receives grants for activities which are considered to be restricted funds and can only be used for the purpose for which the funds were given.

Restricted Funds held at 31 March 2016 represent unspent grants at the end of our financial year. Since not all grants start and finish at the same time of year as our financial year, balances are carried forward into the following financial year.

Reserves Policy

In order to ensure that MVSC continued to exercise considerable influence in the local community and to provide support for future growth the Trustees have reviewed the Reserves Policy to ensure adequate reserves in line with strategic and sustainability plans.

MVSC adopts the following principles in relation to ongoing project funding:

- Planning for staffing changes will be undertaken such that when project funding ends ongoing staffing expenditure will not be met by reserves.
- In exceptional circumstances where Trustees expressly wish that activity continues and have a reasonable expectation that new funds will be received designated funds will be used to sustain posts for a limited period of time.
- The level of core infrastructure of the organisation (Telephones, IT, Premises, admin support etc.) will be considered when project funding is coming to an end such that where possible the infrastructure in place does not exceed the total requirements of activities.
- As project funding is generally unable to provide for redundancies, the redundancy cost for all project staff is included in the general reserve calculations.

MVSC does not consider its fixed assets to be freely convertible and does not include the value of fixed assets in its calculation of working capital.

MVSC considers the needs to retain reserves for the following purposes:

General Reserves

To ensure that the core (ie. not projects) of the organisation can be sustained for up to 6 months should funding be lost – this is considered to consist of the total contribution that projects make to the core (expense allocation and management charges).

To ensure that the organisation has sufficient resources to cease operations in an organised and efficient manner

To give consideration to the Pension Deficit repayment that would need to occur in the event of the organisation closing

Designated Reserves

To ensure that there are sufficient resources to sustain fluctuations in income and sustain core infrastructure. Allowing for continuity of employment for staff where Trustees expressly wish that activity continues and have a reasonable expectation that new funds will be received.

To ensure that there are sufficient resources to ensure that the organisation is able to fund any long term sickness for key members of staff.

To retain sufficient funds to invest in technology and infrastructure as and when required.

Assessment of Reserves Level

General Reserves

The assessment of level of general reserves to hold is as follows:

Item	Amount
Redundancy for all staff	48,312
Contracts and commitments	7,743
Accountant & Legal closing costs	5,000
6 months operating of Core	33,242
Total General Reserves	94,297

MVSC does not consider its fixed assets to be freely convertible and does not include the value of fixed assets in its calculation of working capital. At the year end the working capital (general fund less fixed assets) stood at £62,846 falling short of the reserves policy by £31,451.

MVSC remains committed to ensuring that budgets will be structured so as to build reserves to the assessed level by generating surpluses. Once the assessed level has been achieved expenditure from reserves will be matched by achieving surpluses in the same and subsequent years to return the working capital to the assessed level.

MVSC currently has a withdrawal liability from the Pensions Trust of **£208,576** (calculated at 30 Sept 2015). This liability will not crystallise as long as the company continues to employ an active member of the scheme. MVSC is contributing monthly (£1,077 per month in 16/17) towards a recovery plan, which aims to eliminate the funding shortfall via a combination of additional contributions, started in April 2013, and investment returns over a period of 10 years.

These additional monthly contributions to the recovery plan are considered when setting the budget such that a surplus in operations can be generated to meet these contributions without recourse to reserves.

Designated Reserves

The assessment of level of designated reserves to hold is as follows:

Item	Amount
Allowance for replacing all computers	20,000
Sustaining Staff & Sickness (30% of staff for 1 quarter)	40,000
Total Designated Reserves	60,000

The allowance to replace all computers is based upon an estimate of the unit cost per computer and associated networking and server setup. All existing computers are under warranty until either March 2018 or June 2019, so replacement will not be planned until at least these dates. A phased approach will be used when planning computer replacement to minimise the impact upon our finances. Provision will be made to include computer hardware costs in future funding bids to reduce the need to depend upon reserves to meet these costs.

The allowance for sustaining staff and sickness is based on 7.5% of annual payroll (including on-costs) – equating to 30% of the team for a period of 3 months.

The assessment of designated reserves for sustaining staff and sickness is deemed appropriate based on recent experience and upon the basis that funded posts will not usually be sustained if project funding ceases. It is considered that posts will be sustained for no longer than three months. Our sick pay policy rises depending on length of service up to 8 weeks at full pay and 8 weeks at half pay.

MVSC will continue to carry out an annual reassessment of its reserves policy to ensure that it remains relevant to its current and future position.

Future Plans

As the key local infrastructure agency we will continue to promote, develop and support local voluntary action through our core activities, as listed earlier in this report. During this year we have developed a new three-year strategic plan for the organisation, incorporating our new functions of volunteer brokerage and volunteering advice to organisations.

The majority of services that were delivered during the year are continuing into 2016/17. Funding from Merton Council was not renewed or was reduced for the following projects: Federation of Community Associations, Volunteering Programme, Supported Volunteering – Youth and Volunteering in Libraries.

Structure, Governance and Management

Governing Document

Merton Voluntary Service Council (MVSC) is a registered charity and company limited by guarantee. During this year MVSC undertook a review of its Memorandum and Articles of Association, supported by ACEVO. New Articles of Association were adopted at the Annual General meeting on 8th October 2015 and filed with the Charity Commission and Companies House on 19th November 2015.

Membership of MVSC is open to local voluntary, community and faith organisations which meet the criteria for membership. There are currently 166 formal members each of whom agree to contribute £1 in the unlikely event of the charity winding up and being insolvent however MVSC services are also available to non-members organisations of which there about 1000 on the MVSC database

Appointment of Trustees

The Trustee Board is made up of not less than four and no more than fifteen persons elected by MVSC members. The Trustee Board is also able to co-opt additional members and appoint up to two trustees to fill skills gaps. Members of the Trustee Board are nominated by MVSC member organisations and are elected at Annual General Meetings. The Trustee Board elects a Chair, Vice-Chair, Honorary Treasurer, Company Secretary and any other officers it wishes.

Trustee Induction and training

New Trustees are provided with an induction programme led by the Chief Executive Officer and are also provided with a copy of the Memorandum and Articles of Association and the latest Annual Report and Financial Statements. The induction programme includes a briefing on their obligations under company and charity law, the decision-making processes within MVSC, the Business Plan, and information relating to operational and financial management. They also have the opportunity to meet all employees. Trustees are also encouraged to participate in appropriate external training events where these will facilitate the undertaking of their role. A Register of Interests for Trustees and paid staff is maintained and updated annually.

Organisation

The Board of Trustees governs the charity. The Board meets every 8-12 weeks with task and finish groups being established to look at specific issues and report back. All task and finish groups have clear terms of reference which are agreed by the Board. A Chief Executive Officer is appointed by the Trustees to manage the day-to-day operations of the charity. They and other members of the management team meet with and advise the Trustee Board.

The scheme of delegated powers was reviewed as part of our Governance Review, detailing how powers and decision making is delegated to the Chief Executive Officer and Senior Management Team.

Related parties and co-operation with other organisations

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with a supplier, funder or charitable organisation in the borough is disclosed to the full board of trustees in the same way as any other contractual relationship with a related party. In the current year the following the following disclosures were made:

- Lola Barrett, Trustee – Chief Executive of Grenfell Housing and Training, Trustee of Merton Unity Network

Grenfell Housing and Training acted as a supplier of services to the charity during this year.

Merton Unity Network transferred funding to the charity during this year.

- Sarah Wilson, Trustee – Interim Financial Director at Grenfell Housing and Training

Grenfell Housing and Training acted as a supplier of services to the charity during this year.

- Charmaine Bennett, Trustee – Chief Executive of Age UK Merton

Age UK Merton provided the charity with funding to provide a service during this year.

- Susanette Mansour, Trustee – Office Manager at Merton Community Transport

Merton Community Transport acted as a supplier of services to the charity during this year.

- Ian Petherbridge, Trustee – Director of St Mark's Family Centre

St Mark's Family Centre acted as a supplier of services to the charity during this year.

Further details on related party transactions can be found in note 12 of the accounts.

Pay policy for senior staff

The trustees provide policy and strategic leadership and guidance to the organisation. The Chief Executive and senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the organisation on a day to day basis and are accountable to the Trustees. All Trustees, who are the directors of the company, give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 10 and 12 to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, the Trustees benchmark against pay levels in other voluntary organisations, other voluntary sector infrastructure organisations across London as well as with the public sector through consideration of NJC pay scales.

Risk Management

The Trustees have implemented a formal risk management strategy, which comprises:

- An annual review of the risks which the charity may have to face;
- The establishment of systems and procedures to mitigate those risks; and

- The implementation of procedures designed to report on and minimise any potential impact on the charity should any of those risks materialise.

The Board of Trustees is happy that these processes enable them to identify the major risks to which the charity is exposed and that they have established systems to mitigate those risks.

The Trustees appointed Hartley Fowler LLP to carry out an independent examination of the charities financial statements for the year ended 31 March 2016.

Trustees' responsibilities in relation to the financial statements

The charity trustees (who are also the directors of Merton Voluntary Service Council for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to 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 the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

By order of the board of trustees



Alec Botten – Vice Chair of Trustees



Sarah Wilson – Treasurer

31st October 2016

Independent Examiners Report

I report on the accounts for the year ended 31 March 2016 set out on pages 16 to 38.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act
- to follow the procedures laid down in the General Directions given by the Charity Commission (under Section 145(5)(b) of the 2011 Act); and
- to state whether particular matters have come to my attention.

Basis of the independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statements below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that, in any material respect, the requirements
 - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Jonathan Askew FCA
Hartley Fowler LLP
Chartered Accountants
4th Floor Tuition House
27/37 St George's Road
Wimbledon
London
SW19 4EU

Date:14/11/16.....

Reference and administrative details

Company Status

Merton Voluntary Service Council (MVSC) is a company limited by guarantee, not having a share capital and is registered in England and Wales.

Company Number 04164949
Registered Charity Number 1085867

Registered Office and Principal Address

The Vestry Hall,
London Road,
Mitcham
London CR4 3UD

Independent Examiners

Hartley Fowler LLP,
4th Floor Tuition House,
27/37 St George's Road,
Wimbledon
London SW19 4EU

HR Advisors

Peninsula Business Services,
The Peninsula,
Victoria Place,
Manchester M4 4FB

Bankers

Unity Trust Bank,
Nine Brindleyplace,
4 Oozells Square,
Birmingham B1 2HB

CCLA Investment
Management Ltd,
80 Cheapside,
London EC2V 6DZ

Solicitors

Russell-Cooke,
3 Putney High St.
London, SW15 6AB

Trustee Board

Chair	Lola Barrett
Vice-Chair	Alec Botten
Honorary Treasurer	Sarah Wilson
Members	Ray Hautot (to 18 th March 2016)
	Charles Lusack
	Muriel Martin
	Barbara Price
	Ian Petherbridge (from 8 th November 2015)
	Charmaine Bennett (from 8 th October 2015)
	Susanette Mansour (from 8 th October 2015)

All members of the Trustee Board are the directors of the company. The Trustees are elected by the members at the Annual General Meeting. The Trustees appoint individuals to fill any casual vacancies occurring during the year.

Company Secretary

G D Jonathan Stone

Senior Managers

Chief Executive Officer
Head of Operations

Khadiru Mahdi
Jon Stone

Employees

Other staff employed during 2015-16 were:

Head of Volunteering
Head of Development
Healthwatch Merton Manager
Marketing and Communications Officer
Database Administrator
Finance Officer
Development Worker – Community Associations
Youth Action Coordinator
Recruitment and Placement Officer
Recruitment and Placement Officer
Recruitment and Placement Support Worker
Youth Action Support Worker
Information and Outreach Officer – Healthwatch
Information and Outreach Officer – Healthwatch
Community Navigator

Sarah Hannigan
Beau Fadahunsi
David Curtis
Sophie Matthews
Sally McGarvey
Jeyanthy Satkunapalan
Allan Pearson (to 19th June 2015)
Eleanor McGowan
Sharon Clark
Marcella Meloni
Debby Brooker
Gemma King (from 20th April 2015 to 24th February 2015)
Jade Fairfax (from 13th April 2015 to 31st December 2015)
Erin Cowhig Croft (from 7th December 2015)
Clara Jones (from 11th January 2016)

Statement of Financial Activities
(including income and expenditure account)
for the year ending 31 March 2016

	<i>note</i>	Unrestricted Funds 2016 £	Restricted Funds 2016 £	Total Funds 2016 £	Total Funds 2015 £
INCOME					
Donations	3	42	-	42	3,000
Investment Income	6	1,661	-	1,661	1,947
Grants	4	169,855	616,794	786,649	886,709
Other Trading Income	5	61,186	-	61,186	39,383
Transfers from VCM		-	-	-	189,195
TOTAL INCOME		232,744	616,794	849,538	1,120,234
EXPENDITURE					
Expenditure on Charitable Activities	7	293,489	585,543	879,032	1,087,713
Cost of Raising Funds		5,000	-	5,000	-
TOTAL RESOURCES EXPENDED		298,489	585,543	884,032	1,087,713
NET INCOME/EXPENDITURE		(65,745)	31,251	(34,494)	32,521
Other recognised gains/(losses)					
Actuarial gains/(losses) on defined benefit schemes	20	6,000	-	6,000	(6,000)
Transfer and repayment of funds	18	(25,620)	25,620	-	-
NET MOVEMENT IN FUNDS	18	(85,365)	56,871	(28,494)	26,521
FUND BALANCES BROUGHT FORWARD AT 1 APRIL 2015		88,812	36,087	124,899	98,378
FUND BALANCES CARRIED FORWARD AT 31 MARCH 2016		3,447	92,958	96,405	124,899

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Balance Sheet
as at 31 March 2016

	<i>note</i>	2016	2015
		£	£
FIXED ASSETS			
Tangible fixed assets	14	7,601	17,645
CURRENT ASSETS			
Debtors	15	90,765	99,442
Cash at bank and in hand		394,230	492,121
		<u>484,995</u>	<u>591,563</u>
CREDITORS - Amounts falling due within one year	16	(269,191)	(336,309)
NET CURRENT ASSETS		<u>215,804</u>	<u>255,254</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>223,405</u>	<u>272,899</u>
PENSION LIABILITY	20	(127,000)	(148,000)
NET ASSETS		<u><u>96,405</u></u>	<u><u>124,899</u></u>
FUNDS			
Restricted Funds	18	92,958	36,087
Unrestricted Funds:	18		
General		70,447	176,812
Designated		60,000	60,000
Pension Fund		(127,000)	(148,000)
		<u>96,405</u>	<u>124,899</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st March 2016.

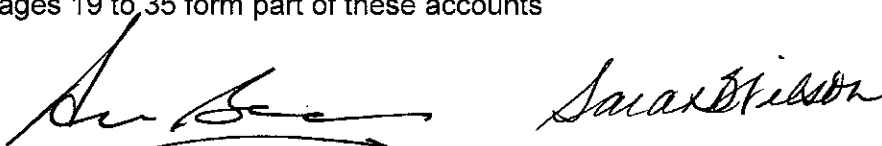
The members have not required the charitable company to obtain an audit of its financial statements for the year ended 31st March 2016 in accordance with Section 476 of the Companies Act 2006

Trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes at pages 19 to 35 form part of these accounts

Signed:



Name Alec Botten – Vice Chair of Trustees Sarah Wilson – Treasurer on behalf of the Trustees

Approved by the Trustees on 31st October 2016

Statement of Cash Flows

for the year ending 31 March 2016

	<i>note</i>	2016	2015
		£	£
Cash used in operating activities	21	<u>(97,716)</u>	<u>(85,001)</u>
Cash flows from investing activities			
Interest income	6	1,661	1,947
Purchase of tangible assets	14	(1,836)	(14,095)
Cash provided by (used in) investing activities		<u>(175)</u>	<u>(12,148)</u>
Cash flows from financing activities			
Repayment of borrowing		-	-
Cash used in financing activities		<u>-</u>	<u>-</u>
Increase (decrease) in cash and cash equivalents in the year		<u>(97,891)</u>	<u>(97,149)</u>
Cash and cash equivalents at the beginning of the year		492,121	589,270
Total cash and cash equivalent at the end of the year		<u>394,230</u>	<u>492,121</u>

Notes on the accounts

1. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a. Basis of preparation

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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Merton Voluntary Service Council meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b. Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required.

Restatements have been provided in respect of long term pension deficit contribution liabilities on pages 36 to 37.

c. Preparation of the accounts on a going concern basis

The charity reported a cash outflow of £97,891 for the year.

The trustees are of the view that Merton Voluntary Service Council remains a going concern with unrestricted reserves (including designated funds) amounting to £130,447 if the pension fund deficit is excluded.

The trustees are aware that the unrestricted funds of the charity are at a low level, resulting from recognising the future pension deficit contributions as a liability as part of our transition to FRS102. The trustees aim to generate sufficient operational surpluses to cover the year on year pension deficit payments as they fall due. Full consideration is given to the pension scheme deficit payments when preparing budgets and developing the strategic and financial plans of the charity.

d. Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a project of other specified service it is deferred until the criteria for income recognition are met (see note 17).

e. Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time contributed is not recognised and refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f. Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

g. Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the Charity.

The Pension Reserve represents the FRS 102 pension scheme deficit liability.

h. Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of engaging professionals to support with preparation of funding bids.
- Expenditure on charitable activities includes the costs of activities undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

i. Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support MVSC's charitable activities.

These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 7.

j. Operating leases

The charity classifies the lease of the offices in Vestry Hall and shop unit in Centre Court as operating leases; Rental charges are charged on a straight line basis over the term of the lease.

At 31 March 2016 the total of the charity's future minimum lease payments under non-cancellable operating leases was:

	2016
	£
Amounts due within one year	55,025
Amounts due between one and five years	-
Amounts due after five years	-
	<u>55,025</u>

k. Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Computers and Office Equipment - 3 years

l. Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

m. Cash at bank and in hand

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.

n. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that 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. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

o. Financial instruments

The charity only has financial assets 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 value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

p. Pensions

The charity contributes 5% to a defined contribution pension scheme for all of its employees. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Please refer to note 20 (Employee Benefit Obligations) for further details on Pension arrangements

2. Legal status of the Charity

The charity is a company limited by guarantee and has no share capital. 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.

3. Income from donations

	Unrestricted Funds 2016	Restricted Funds 2016	Total Funds 2016	Total funds 2015
	£	£	£	£
Donations & Contributions	42	-	42	3,000
	42	-	42	3,000

Income from Donations was £42 (2015: £3,000) of which £42 was unrestricted (2015: £3,000) and nil was restricted (2015: nil).

4. Income from charitable activities

	Unrestricted Funds		Restricted Funds		Total Funds		Total funds	
	2016	£	2016	£	2016	£	2015	£
Merton Council (LBM)								
Strategic Partner Fund Grant	125,484		-		125,484		96,574	
Notional Grant (Premises)	37,949		-		37,949		33,228	
Community Accountant	-		-		-		22,310	
Phipps Bridge	-		54,480		54,480		60,518	
Development Worker – Federation	-		9,688		9,688		38,687	
Healthwatch	3,500		127,035		130,535		125,085	
Volunteering Programme	-		26,126		26,126		55,753	
Public Health	-		30,000		30,000		19,000	
Supported Volunteering - Adults	-		48,800		48,800		24,400	
Supported Volunteering - Youth	-		-		-		10,879	
Youth Action	-		30,525		30,525		13,386	
Organisational Integration Project	-		-		-		25,163	
Volunteering in Libraries	-		27,750		27,750		-	
Voluntary Sector Conference Sponsorship	1,750		-		1,750		-	
Age UK Merton								
Merton Befriending Service	-		2,950		2,950		363	
Greater London Volunteering								
Youth Action	-		-		-		4,008	
Wandle Housing Volunteering Project	-		2,322		2,322		-	
Merton Priory Homes								
Legacy Funding	-		-		-		11,000	
Good Neighbours	-		-		-		3,000	
Youth Action	-		-		-		3,000	
Hounslow and Richmond Community Health								
Health Champions	-		18,000		18,000		18,000	
City Bridge Trust								
Good Practice in Volunteering	-		-		-		32,625	
Merton Association for Mental Health								
Mental Health Forum	-		6,871		6,871		25,200	
Merton Clinical Commissioning Group								
Community Navigator	-		13,134		13,134		-	
BBC Children in Need								
Youth Action Connect	-		36,061		36,061		-	
Wimbledon Foundation								
Avanti Club	-		2,500		2,500		-	
Merton Chamber of Commerce								
Voluntary Sector Conference Sponsorship	500		-		500		-	
Photocopying Income	672		-		672		3,932	
	169,855		436,242		606,097		626,111	
Grants for third parties								
Merton Council (LBM)								
Youth Partnership	-		-		-		64,798	
Health & Wellbeing fund	-		50,000		50,000		93,000	
Voluntary Sector Grants Fund	-		72,000		72,000		72,000	
Voluntary Sector Development Fund	-		-		-		12,000	
Merton-i	-		5,000		5,000		18,800	
Value You Scheme	-		4,368		4,368		-	
Merton Priory Homes								
Local Estate Allocation Fund	-		39,694		39,694		-	
Local Assist	-		6,500		6,500		-	
Merton Unity Network								
Residual funding for BAME Voice setup	-		2,990		2,990		-	
	-		180,552		180,552		260,598	
	169,855		616,794		786,649		886,709	

Income from Charitable Activities was £786,649 (2015: £886,709) of which £169,855 was unrestricted (2015: £133,734) and £616,794 was restricted (2015: £752,975).

MVSC manages a range of grants funds on behalf of the public sector, including holding and distributing funds. The total of these grant funds is recognised in restricted income, shown above, however it is worthwhile noting that these funds are not used in direct charitable expenditure rather given to organisations as grants. During this year the total of this income was £180,552 (2015: 260,598).

5. Income earned from other activities

	Unrestricted Funds 2016	Restricted Funds 2016	Total Funds 2016	Total funds 2015
	£	£	£	£
Fayre & Square takings	49,805	-	49,805	22,562
Misc MVSC income	11,381	-	11,381	10,782
Misc Project income	-	-	-	6,039
	61,186	-	61,186	39,383

Income earned from other activities was £61,186 (2015: £39,383) of which £61,186 was unrestricted (2015: £33,344) and nil was restricted (2015: £6,039).

6. Investment income

All of the charity's investment income of £1,661 (2015: £1,947) arises from money held in interest bearing deposit accounts.

7. Analysis of expenditure on charitable activities

Grants	Direct Charitable Expenditure 2016 £	Support Costs 2016 £	Total Charitable Expenditure 2016 £	Total Charitable Expenditure 2015 £
General Activities	283,175	10,314	293,489	202,402
Avanti Club - Wimbledon Foundation	900	-	900	-
Belly Dancing	-	-	-	1,275
Big Lottery - Awards For All	-	-	-	6,700
Community Accountancy	-	-	-	22,964
Community Navigator	10,548	2,586	13,134	-
Creating a Legacy Fund	-	-	-	11,000
Cricket Green Medical Practice	-	-	-	2,160
Federation of Community Associations	9,389	299	9,688	54,209
Good Neighbours	-	-	-	8,728
Good Practice	5,250	-	5,250	33,569
Health & Wellbeing Fund	-	-	-	106,588
Health Champions	13,238	8,162	21,400	16,022
Healthwatch	101,164	25,871	127,035	132,707
LBM - Phipps Bridge	38,924	13,825	52,749	61,179
Local Assist	223	-	223	7,963
Local Estate Allocation Fund	34,778	2,969	37,747	-
Mental Health Forum	5,955	916	6,871	25,200
Merton Befriending Service	2,812	138	2,950	363
Merton Libraries	18,715	9,035	27,750	33,309
Merton Unity Network	2,990	-	2,990	-
Merton-i	-	5,000	5,000	18,800
Mitcham Community Grant Scheme	800	-	800	202
Organisational Integration Project	680	-	680	16,498
Public Health	30,000	-	30,000	19,000
Recruitment	-	-	-	5,476
Supported Volunteering Adults	45,286	3,514	48,800	41,184
Supported Volunteering Young People	-	-	-	13,133
Value You Scheme	4,368	-	4,368	-
Voluntary Sector Dev. Fund	-	-	-	12,060
Voluntary Sector Grants	45,685	7,200	52,885	72,000
Volunteering Strategy Programme	41,205	6,371	47,576	42,183
Wandle Housing Volunteer Recruitment	2,322	-	2,322	-
Youth Action - Children in Need	34,442	1,619	36,061	-
Youth Action - GLV	-	-	-	4,008
Youth Action - LBM	40,484	7,880	48,364	29,334
Youth Action - MPH	-	-	-	3,000
Youth Partnerships Development Support	-	-	-	32,719
Youth Partnerships Grants	-	-	-	51,778
	773,333	105,699	879,032	1,087,713

Expenditure on charitable activities was £879,032 (2015: £1,087,713) of which £293,489 was unrestricted (2015: £202,402) and £585,543 was restricted (2015: £885,311).

8. Analysis of governance costs

	2016	2015
	£	£
Audit	-	3,950
Independent Examination	2,000	-
Committee & Strategic Planning Costs	893	887
Administration Fees	-	932
	2,893	5,769

9. Net income/(expenditure) for the year

	2016	2015
This is stated after charging:	£	£
Operating leases - equipment	-	-
Depreciation	11,881	11,612
Bank interest payable	-	-
Auditors remuneration	-	3,950
Accountancy services	2,000	-

10. Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	2016	2015
	£	£
Payroll Costs		
Wages and salaries	445,824	421,100
Social security costs	42,680	39,506
Pension costs	37,415	33,321
Total payroll costs	525,919	493,927
Training and other staff costs	7,371	18,478
	533,290	512,405

No employees had employee benefits (excluding employer pension costs) in excess of £60,000 (2015: nil). Pension costs are allocated to activities in proportion to the related staffing costs incurred.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2015: £nil) neither were they reimbursed expenses during the year (2015: £nil). No charity trustee received payment for professional or other services supplied to the charity (2015: £nil).

The key management personnel of the charity, comprise the trustees, the Chief Executive Officer and Head of Operations. Between December 2013 and December 2014 the Chief Executive function was fulfilled by Ian Beever who was engaged as an associate rather than an employee. To ensure an accurate comparison, the fees paid to Ian Beever are included in the following totals.

The total employee benefits (excluding employer pension costs) of the key management personnel of the Charity were £97,232 (2015: £91,545).

11. Staff Numbers

The average monthly head count was 15 staff (2015: 14 staff) and the average monthly number of full-time equivalent employees during the year were as follows:

	2016	2015
Direct charitable	12	11
Management & administration	3	3
	<u>15</u>	<u>14</u>

12. Related party transactions

During the year a number of transactions were undertaken with organisations with a connection to Trustees of the charity

- Lola Barrett, Trustee – Chief Executive of Grenfell Housing and Training, Trustee of Merton Unity Network
- Sarah Wilson, Trustee – Interim Financial Director at Grenfell Housing and Training

Grenfell Housing and Training acted as a supplier of services to the charity during this year.

During the year the charity purchased services from Grenfell Housing and Training to the value of £1,008 for hire of meeting spaces at the Grenfell offices.

Merton Unity Network transferred funding to the charity during this year.

During the year Merton Unity Network transferred to the charity £1,099 which was the remainder of their assets upon closing. The charity used this residue funding in furtherance of the charitable objectives of Merton Unity Network.

- Charmaine Bennett, Trustee – Chief Executive of Age UK Merton

Age UK Merton provided the charity with funding to provide a service during this year.

During the year Age UK Merton provided the charity with £2,950 for services to recruit volunteers for the Merton Befriending Service and £72 in relation to provision of the QuickBooks Online Accounting package.

- Susanette Mansour, Trustee – Office Manager at Merton Community Transport

Merton Community Transport acted as a supplier of services to the charity during this year.

During the year the charity provided Merton Community Transport with £172.10 for transport services in relation to the Merton Priory Homes Local Estate Allocation Fund. This funding was allocated by an independent panel.

During the year Merton Community Transport transferred to the charity £2,390 which they were holding on behalf of an organisation which had closed (Merton Unity Network). The charity used this residue funding in furtherance of the charitable objectives of Merton Unity Network.

- Ian Petherbridge, Trustee – Director of St Mark's Family Centre

St Mark's Family Centre acted as a supplier of services to the charity during this year.

During the year the charity provided St Mark's Family Centre with £100 for hire of a meeting space and £210 for administration costs associated with making referrals, both in relation to their involvement in our Health Champions project.

During the year St Mark's Family Centre provided the charity with £480 for services in undertaking DBS checks and £78 in relation to provision of the QuickBooks Online Accounting package.

13. Corporation Taxation

As a registered charity MVSC is exempt from Corporation Tax in respect of its investment and charitable income and in respect of capital gains.

14. Tangible fixed assets

	Computer & Office equipment	Total
Cost	£	£
at 01 April 2015	57,208	57,208
Additions	1,836	1,836
at 31 March 2016	59,044	59,044
Accumulated Depreciation		
at 01 April 2015	39,563	39,563
Charge for the year	11,880	11,880
at 31 March 2016	51,443	51,443
NET BOOK VALUE		
At 31 March 2016	7,601	7,601
at 31 March 2015	17,645	17,645

15. Debtors

	2016	2015
	£	£
Trade debtors	88,953	96,959
Prepayments	1,812	2,483
	90,765	99,442

16. Creditors: amounts falling due within one year

	2016	2015
	£	£
Amounts falling due with in one year		
Trade creditors	31,215	38,996
Funds held for other organisations	3,000	3,000
Accruals	14,640	5,330
Deferred Income	200,060	209,184
Grant Holding Account	19,846	76,871
Pension Contributions	430	2,928
	269,191	336,309

17. Deferred income

	Balance brought forward £	Applied in year £	Deferred in year £	Balance carried forward £
Deferred Income	209,184	(137,895)	128,771	200,060
Grant Holding Account	76,871	(57,025)	-	19,846

18. Analysis of charitable funds

a. Analysis of movements in unrestricted funds

	Balances as at 01/04/2015 £	Incoming Resources £	Outgoing Resources £	Gains & losses £	Transfers between funds £	Balance as at 31/03/2016 £
General Fund	176,812	232,744	(313,489)	-	(25,620)	70,447
Designated Fund	60,000	-	-	-	-	60,000
Pension Fund	(148,000)	-	15,000	6,000	-	(127,000)
	88,812	232,744	(298,489)	6,000	(25,620)	3,447

Name of unrestricted fund	Description, nature and purposes of the fund
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General Fund	This is the general reserves of the organisation, to be maintained in line with the reserves policy
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Designated Fund	The Trustees have designated £60,000 for developing and sustaining the charity's infrastructure including ICT equipment, and for pump priming new initiatives and sustaining existing projects where funding is imminent.
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Pension Fund	This is an allocation in recognition of the future payments to the Pensions Trust deficit reduction scheme. Trustees aim to make these deficit reduction payments from in-year surplus.
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b. Analysis of movements in restricted funds

Grants	Balances as at 01/04/2015	Incoming Resources	Outgoing Resources	Transfer & Repayment	Balance as at 31/03/2016
	£	£	£	£	£
Avanti Club - Wimbledon Foundation	-	2,500	900	-	1,600
Community Navigator	-	13,134	13,134	-	-
Federation of Community Associations	-	9,688	9,688	-	-
Good Practice	5,250	-	5,250	-	-
Health & Wellbeing Fund	-	50,000	-	-	50,000
Health Champions	3,400	18,000	21,400	-	-
Healthwatch	-	127,035	127,035	-	-
LBM - Phipps Bridge	7,518	54,480	52,748	-	9,250
Local Assist	-	6,500	223	-	6,277
Local Estate Allocation Fund	-	39,694	37,748	-	1,946
Mental Health Forum	-	6,871	6,871	-	-
Merton Befriending Service	-	2,950	2,950	-	-
Merton Libraries	-	27,750	27,750	-	-
Merton Unity Network	-	2,990	2,990	-	-
Merton-i	-	5,000	5,000	-	-
Mitcham Community Grant Scheme	800	-	800	-	-
Play Activities	680	-	680	-	-
Public Health	-	30,000	30,000	-	-
Supported Volunteering Adults	-	48,800	48,800	-	-
Value You Scheme	-	4,368	4,368	-	-
Voluntary Sector Dev. Fund	4,770	-	-	-	4,770
Voluntary Sector Grants	-	72,000	52,885	-	19,115
Volunteering Strategy Programme	13,669	26,126	47,576	7,781	-
Wandle Housing Volunteer Recruitment	-	2,322	2,322	-	-
Youth Action - Children in Need	-	36,061	36,061	-	-
Youth Action - LBM	-	30,525	48,364	17,839	-
	36,087	616,794	585,543	25,620	92,958

Name of restricted fund	Description, nature and purposes of the fund
Avanti Club - Wimbledon Foundation	This project provides volunteers with Mental Health issues with a peer support network. It works to provide opportunities to volunteer in a supportive environment so that participants can go on to volunteer for local organisations.
Community Accountancy	This project is funded by our Strategic Partner Funding from Merton Council. The service provides primarily small voluntary organisations with advice on how to manage their finances. This service is delivered in partnership with Sutton CVS.
Community Navigator	This pilot project is funded by Merton CCG. A project worker is employed to connect patients at the Nelson Health Centre with services in the community run by voluntary organisations.
Federation of Community Associations	This project was partly funded by Merton Council. We employed a Development Worker to provide support to the Community Associations and their Federation. The project came to an end during this year.
Good Practice	We were leading on this project on behalf of a number of Volunteer Centres in South London. This project received funding from The City Bridge Trust to develop and promote Good Practice in volunteering projects.
Health & Wellbeing Fund	In November 2011 the Shadow Health and Wellbeing Board was awarded a Performance Reward Grant, to set up a grants programme for health and wellbeing projects in East Merton. Grant administration was transferred from the NHS to MVSC.
Health Champions	Hounslow and Richmond Community Health funded this project, which started in December 2013 and ran until March 2016. We used our connections with local organisation to recruit and manage volunteers who act as Health Champions in their organisations, making referrals to Live Well services. While project funding ceased in March 2016 we are in negotiations regarding continuation funding.
Healthwatch	Healthwatch is the consumer champion for health and social care services in Merton. This contract originally started in April 2013 and we have been re-awarded this agreement to run until March 2017 at which point the service will be re-tendered.
LBM - Phipps Bridge	Merton Council part funded a Community Development Worker, supporting services and activities in the Phipps Bridge area as part of the council's Transforming Families programme. The project ended in March 2016, however some residue funding is being used in 2016/17 to support the development of community leaders.

Local Assist	This is a grant fund that we manage on behalf of Circle Housing Merton Priory.
Local Estate Allocation Fund	This is a grant fund that we manage on behalf of Circle Housing Merton Priory.
Mental Health Forum	We received funding from the Merton Association of Mental Health to establish a Mental Health forum in the borough.
Merton Befriending Service	We work with Age UK Merton (the lead delivery partner) to recruit volunteers for the Merton Befriending Service.
Merton Libraries	This funding from Merton Council enables us to run the home visits libraries service where volunteers deliver library books to those who are unable to visit the library.
Merton Unity Network	Upon Merton Unity Network closing, we supported the Trustees to redistribute their residual funds to other activities in line with MUN's charitable objectives.
Merton-i	We were provided with funding from Merton Council to support the ongoing development of the Merton-I facility.
Mitcham Community Grant Scheme	This is a grant scheme which we administer on behalf of Merton Council. It provides small grants to organisations in Mitcham to improve the visual environment of the town centre.
Play Activities	These funds are held for activities that encourage and support play activities.
Public Health	Public Health at Merton Council fund MVSC to provide development support to a range of health related organisations. This was a two year agreement from April 2014
Supported Volunteering Adults	With funding from Merton we targeted particular groups of adults who would benefit from volunteering but required additional support. This funding ceased in March 2016
Value You Scheme	Merton Council provided funding for us to provide a discount card for volunteers to obtain discounts from local businesses. This was one off funding.
Voluntary Sector Dev. Fund	MVSC manages this grants programme on behalf of Merton Council. It provides small grants to small voluntary organisations.
Voluntary Sector Grants	MVSC manages this grants programme on behalf of Merton Council. It provides small grants to small voluntary organisations.

Volunteering Strategy Programme	This programme was funded by Merton Council and was to transform volunteering in the borough. During this year this programme part funded the development of a new volunteering portal.
Wandle Housing Volunteer Recruitment	We support Wandle Housing Association to recruit volunteers from amongst their residents. This is a partnership project with a range of other Volunteer Centres.
Youth Action - Children in Need	BBC Children in need support our Youth Action Connect project, which connects young people who wish to volunteer to befrienders who will support them to volunteer in the community.
Youth Action - LBM	During this year we received funding from Merton Council to support our work in engaging young people in volunteering. This funding comes to an end in March 2016.

19. Analysis of net assets between funds

	Unrestricted Funds 2016	Designated Funds 2016	Pension Fund 2016	Restricted Funds 2016	Total Funds 2016	Total Funds 2015
	£	£	£	£	£	£
Fixed Assets	7,601	-	-	-	7,601	17,645
Net Current Assets	62,846	60,000	-	92,958	215,804	255,254
Pension Liability	-	-	(127,000)	-	(127,000)	(148,000)
Total Net Assets	70,447	60,000	(127,000)	92,958	96,405	124,899

20. Employee Benefit Obligations

The company participates in the 'The Pensions Trust – The Growth Plan' scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

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

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