

**Community and Voluntary Services Cheshire East**

**Charity No. 1132927**

**Company No. 07019841**

**Trustees' Report and Unaudited Accounts**

**31 March 2020**

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 March 2020.

## **REFERENCE AND ADMINISTRATIVE DETAILS**

Company No. 07019841

Charity No. 1132927

### **Principal Office**

1<sup>st</sup> April – 31<sup>st</sup> December 2019

11 Hope Street,  
Sandbach  
Cheshire  
CW11 1BA

1<sup>st</sup> January 2020 – 31<sup>st</sup> March 2020

Ashton House, 1a Gatefield Street,  
Crewe  
CW1 2JP

### **Registered Office**

1<sup>st</sup> April – 31<sup>st</sup> December 2019

11 Hope Street  
Sandbach  
Cheshire  
CW11 1BA

1<sup>st</sup> January 2020 – 31<sup>st</sup> March 2020

Ashton House, 1a Gatefield Street,  
Crewe  
CW1 2JP

### **Directors and Trustees**

The Directors of the charitable company are its Trustees for the purposes of charity law. The following Directors and Trustees served during the year:

R M Owen	Member Trustee	Appointed Jan 2010
M Beswick	Member Trustee	Appointed Dec 2013
G Etherton	Member Trustee	Appointed Oct 2017
M Hills	Member Trustee	Appointed Nov 2019
R Renshaw	Member Trustee	Resigned Nov 2019
A Pickup	Coopted Trustee	Appointed Jan 2010 – Chair (Resigned Sept 2019)
M Hulme	Coopted member	Appointed Oct 2017 - Chair (Appointed Sept 2019)
Y Baker	Coopted Trustee	Resigned July 2019

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Governing document**

Community and Voluntary Services (CVS) Cheshire East Board has been operational since 1st January 2010.

The Charity is controlled by its governing documents, Memorandum and Articles of Association and constitutes a company limited by guarantee.

CVS Cheshire East was approved as a registered charity by the Charity Commission for England and Wales.

### **Recruitment and appointment of new Trustees**

The Charity seeks to have a maximum of 12 members of the Board, 7 elected from the membership and up to 5 co-opted for specific skills, knowledge and experience. The Board will always aim to have a majority from the Membership.

When a vacancy for a membership position arises, it is advertised to all member organisations. It is accepted that members have the right to elect those individuals that they feel represent their interests, however, existing Board members have the responsibility to ensure that the needs of the organisation in terms of governance are met by those elected. The Board seeks to do this by adopting a system of recommending Trustee appointments to the membership. The membership will then be able to choose and elect a recommended candidate(s) to the Board.

When a need arises to co-opt a member with specific skills or knowledge the process will be managed through open recruitment with interviews with successful candidates being invited onto the Board. The existing Board will then recommend to the membership that the co-opted individuals be ratified as Trustees at the next AGM.

### **Induction and training of new Trustees**

As part of their induction programme, new Trustees of The Charity are made aware of their corporate responsibilities as Board members.

An induction process includes an introduction to strategic business planning objectives, scope and policies. They are also given a copy of the previous year end accounts and the current financial position which is then reported on quarterly to all Board members.

### **Organisational structure**

The members of the Board (which consists of Trustees of the charity) are responsible for the governance of the charity. They are elected at the annual general meeting by member organisations.

The Board of Trustees meet every 2 months to manage and monitor the strategic direction and operations of The Charity.

Detailed policy making is delegated to the following sub-committees who make recommendations back to the Board for final ratification:

- Finance and Compliance Sub-Committee
- Funding and Development Sub-Committee
- Policy Sub-Committee

The Board delegates the day-to-day running of the services to its staff headed by the Chief Executive. No Board members receive remuneration for their role.

### **Wider network**

The Charity is a member of the National Association for Community and Voluntary Action (NAVCA) which is the National Association for Voluntary and Community Action and of the National Council for Voluntary Organisations (NCVO). We are also a member of Voluntary Sector Northwest (VSNW) which provides a strategic voice for voluntary organisations operating within the Northwest.

### **Related parties**

The Charity works closely with all the partners who provide funding contributions towards both the general running and overhead costs and ring-fenced project-based activities. Staff within these organisations receive information on how projects are progressing and work with The Charity to identify areas where further support would add value to the local community.

### **Risk management**

The Trustees review the major issues which the charity faces at each board meeting. They believe that maintaining the free reserves at the levels stated in the Reserve Policy, combined with the internal financial control systems in operation, will provide sufficient resources in the event of adverse conditions. The Trustees examine the major risks and issues that the Charity faces each financial year when preparing and updating the strategic plan.

### **Governance and internal control**

The Trustees continue to consider and identify the major issues to which the Charity is exposed. The Charity's system of internal controls is designed to provide reasonable but not absolute assurance against material misstatement or loss. The Trustees are satisfied that the systems in place reduce their exposure to major issues

## **OBJECTIVES AND ACTIVITIES**

### **Charitable Objectives**

The Charity's objects, as stated in the Memorandum of Association, are;

1. To promote any charitable purposes for the benefit of the community within the local government district of Cheshire East Borough Council and its neighbourhood and, in particular the advancement of education, the furtherance of health and the relief of poverty, distress and sickness;
2. To promote and organise co-operation in the achievement of the above purposes and to bring together in council representatives of the voluntary organisations, statutory authorities and individuals within the Area of Benefits.

### **Vision for the Charity**

Building strong empowered communities that make a difference

### **Aims**

#### **Building Dynamic Communities**

Build strong self-motivated communities that are connected, skilled, informed and knowledgeable

#### **Inspiring Volunteering**

Inspire the community to volunteer and showcase the diverse range of roles available within the community

#### **Empowering a Voice**

Empower the voluntary and community sector to have a strong voice

### **Main Objectives for the Period**

1. The Charity has a sustainable model with skilled & knowledgeable Trustees, staff and volunteers and ensures equality and confidentiality in all areas of work.
2. That the Charity works towards achieving the strategic aims within the 2015-2020 strategy.

### **Strategies for achieving these objectives**

To achieve the aims and objectives, the key activities for The Charity were:

- 1) Implementation of the revised GRIPP Checklist, this is a diagnostic process designed to guide and direct the support the Charity gives to organisations and will become a robust outcomes measurement process for the Charity.

- 2) Continue to increase the role of volunteering within service delivery and embed the volunteers within the staff team.
- 3) Continued promotion and implementation of the quality assurance process (GRIPP) and programme of support and training to enable members to work effectively and operate in line with good practice.
- 4) Actively represent a strong strategic voice for the sector and volunteering with local and national partners
- 5) Support the development of a wide range of volunteering opportunities
- 6) Further develop the networking and peer to peer support which engages the Charities membership

## **SIGNIFICANT ACTIVITIES**

During 2019-2020 the Charity has:

- 1) Redesigned the Membership Services team with each staff member being given responsibility for a defined geographical area. The staff became remote based and have started to work more regularly with our members to enable us to get a better understanding of the issues that members are facing.
- 2) Reviewed the communications that are sent out to members and redefined the e-bulletin to ensure that the information is focused and signposts people to the support that they need.
- 3) Finalised the Buildings review process, which involved finalising the sale of Macclesfield, moving the head office to our Gatefield Site and all staff and volunteers using that as the base. Rental of the Hope Street office in Sandbach to a commercial organisation with a 10 year lease in place. This model provides the best chance of income generation from the use of the buildings.
- 4) Continued to deliver the Advice and volunteering service and deliver a comprehensive range of networks and training opportunities for members and the wider VCFSE in Cheshire East.

### **Other Activities**

During this time the Charity has continued to deliver public benefit including:

- Partnership working with Cheshire East Council and other statutory organisations and the wider voluntary and community sector within Cheshire East, during the year The Charity worked with partners to continue to build involvement in The 'Voice'.

- Delivering activities to improve the capacity and quality of voluntary organisations and community groups, offering advice, information and training, developing and strengthening local projects in the voluntary sector, facilitating liaison and collaboration between voluntary, public and private sectors and identifying the needs of local groups and communities.

### **Projects undertaken**

#### **JSNA**

The Charity has completed the fourth year of the contract for the Joint Strategic Needs Assessment (JSNA) project with the Local authority.

The project continues to achieve its remit, having provided a mechanism for Voluntary, Community and Faith Sector (VCFS) organisations to feed intelligence into the JSNA, but it is clear that there is more to be achieved. The priorities for the next year continue to be:

Implementation of the mechanism developed for capturing qualitative data and patient experience information and insertion of this information into the JSNA

Support statutory agencies in capturing qualitative data and patient experience information where required.

Populate the Joint Health and Wellbeing Strategy priority areas within the JSNA with VCFS information and intelligence

The contract ended in March 2020. This was merged into the contract for Infrastructure services by Cheshire East Council. The Charity was unsuccessful in its bid for this contract in January 2020.

### **East Cheshire Trust Volunteering**

The Charity has completed the seventh year of support to the Volunteering Programme for Eastern Cheshire NHS Trust. This project has successfully supported the Trust to be able to deliver against its Strategy for Volunteering and Giving and has established and developed a responsive and skilled volunteer workforce and embeds the concept of giving as a key business practice. This project was given approval to continue for 2 years until March 2022.

### **New Leaf**

CVS is within the third year of the New Leaf project. New Leaf brings together partners as well as employers from across Warrington and Cheshire to change lives, create opportunities and make a positive contribution to local communities and the regional economy. New Leaf is looking to get over 2,800 people from across Cheshire into or closer to employment over the next three years.

The project has been allocated £10.6 million of funding through the Building Better Opportunities programme and is funded by the European Social Fund and the National Lottery, through the Big Lottery Fund, which provides investment in local projects that increase economic development by investing in projects which will support skills development, employment and job creation, social inclusion and local community regeneration.

Through this project CVS is providing volunteer placement opportunities for individuals.

### **Families Together**

The Charity is a partner in a Sport England funded project which supports families in Crewe to volunteer together. The aim of the project is to encourage families to be more healthy and active with volunteering being the catalyst for this. The project is delivered in partnership with Chester Voluntary Action (lead) and Warrington Voluntary Action. This is a 3 year funded project which began in October 2017 and will end in October 2020.

### **Grantmaking**

The Charity does not currently provide direct grants to other organisations.

### **Public benefit**

The Charity delivers high quality support to the Voluntary & Community sector in Cheshire East. Through this support, our service users are better placed to deliver their own support and services to members of the public throughout the Cheshire East area and wider. The Charity also through its volunteering service provides support to individual members of the public enabling them to volunteer, thus gaining personal benefits, such as confidence and employment and they also support the delivery of services to the public.

### **Volunteers**

There was a small decrease in active number of volunteers that provide support to the core functions from 21 to 18. During 2019-2020 the Charity consolidated the work that has been taken so far and reviewed the new processes that have been developed to support the volunteers to ensure the programme is effective. We now have a process for designing, recruiting and inducting volunteers. During 2020-2021 we will be increasing the volunteering team to support the service delivery.

During 2019-2020 volunteers provided 1301 hours of support to the charity. At minimum wage this was worth £11,344. They supported all areas of the service including, producing the GRIPP reports, helping maintain the database, writing communications including social media updates to promote the service.

## **ACHIEVEMENT AND PERFORMANCE**

### **Charitable activities**

During 2019-2020 CVS Cheshire East has been working towards their vision;  
*Building strong empowered communities that make a difference*

The following report shows how the activities undertaken have supported the achievement of the missions and outcomes.

### **Building Dynamic Communities**

Over the year 328 organisations had been supported with development through 1272 advice sessions. This was a 12% increase in the number of organisations supported last year, the number of sessions delivered decreased by 8% however this was mainly due to a change in how the activities were being recorded. The average amount of time provided to each organisation decreased slightly from 3.9hrs in 2018-2019 to 3.4hrs in 2019-2020.

17% of the advice sessions delivered have had a focus on funding with 13% focusing on general governance. Organisations were also supported on other topics including, finance, business planning, policies and project management. 3% of the advice sessions focused on account management, this time enables us to build relationships with our members, this was a slight significant decrease on last year which is due to a change in how the team were adding the activities on the database.

### **Training and Networks**

Overall 438 people from 190 organisations accessed the training and network programme which aims to enable staff and volunteers from the VCFS to Learn, Connect and Act.

259 individuals from 106 VCFS organisations have attended training sessions on topics such as project management, monitoring and evaluation, income generations, volunteer management, safeguarding, mental health awareness and equality and diversity.

265 individuals from 169 organisations attended one of the networks and workshops that were held. During the year we continued to hold our existing networks (CEO, Trustees, Volunteer managers) and during March we launched 2 new networks, Marketing and Fundraising. We expect the membership of these to grow during 2020-2021. During 2019-2020 the membership and attendance of the networks has grown by 42%. This is a similar growth from 2018-2019 and we hope this will continue to grow during 202-2021.

GRIPP - The GRIPP assurance tool was completed by 6 organisations during 2018-2019 giving a total of 21 organisations that have archived this and a further 16 organisations are working towards achieving their assurance mark.

### **Funding Support**

63 organisations were supported with 80 funding bids worth £1.98m.

There was an average bid size of £24,830. To date £594,491 has been brought into Cheshire East organisations through the Charities support.

Supporting organisations with funding bids remains a high priority for the Charity during 2020-2021.

### **Empowering a Voice**

VCFS organisations were encouraged to work together and share experiences and resources through a variety of means. Networks met regularly for volunteer managers, Trustees and Chief Executives. The Trustees met 3 times, Chief Executives network has met twice and the Volunteer Managers met 3 times over the year.

This year we also focused on 2 new networks with the launch of the Marketing and Fundraising networks in March 2020.

CVS Development officers gather 'voice issues' through networks and 1:1 support sessions. We also encourage organisations to raise any issues with us through the 'Voice News' e-bulletin and the website.

The Charity continued to represent the voice of the sector on issues including, the development of the Early Help Framework, the reduction in funding for Early Help contracts and through statutory groups including the Health and Wellbeing Board.

### **Inspiring Volunteering**

On average 25% of the advice sessions delivered have had a focus on volunteering good practice and encouraging volunteering. This is an increase of 4% from 21% last year.

During 2019-2020 we advertised 316 Volunteer Opportunities for 101 members. 539 people registered to volunteer. 44% of the opportunities received an application and 51% of the people went on to apply for roles. During 2020-2021 we will be focusing on increasing these two areas.

## **FINANCIAL REVIEW**

### **Reserves policy**

The Reserves policy was reviewed by the Board during 2019. This policy allocated money from the general fund balance, which is not invested in fixed assets for a number of purposes. These provide for major items of maintenance of the fabric of the building, for any delays in receipt of promised grants and for the costs of dissolution should the charity be unable to continue.

The Board of Trustees will continue to review the reserves policy annually with the aim of increasing the current level of free reserves, which currently represent 3-4 months of running costs, to a level which would provide cover for 6 months.

In January 2020, the Charity lost a significant contract with Cheshire East Council which meant that in February 2020 the charity faced a deficit budget. A plan was developed which would see the use of reserves over the next 2 financial years while the Charity replaced the income lost. There was a fundraising plan developed. The initial expectation was that over the next 2 years the Charity would use around £120,000 of reserves.

At the end of March 2020 due to the sale of the Macclesfield building the Charity was holding 10 months of running costs. By the end of the 2 years this will have reduced to 6 months. This would still keep us within an acceptable level of reserves.

### **Financial Results**

During 2019-2020 the Trustees aimed for a balanced budget. The accounts show surplus cash position, but an overall reduction in assets, this is directly related to the sale of the Macclesfield office in December 2019. The property had been up for sale or rent for over 3 years and so we were pleased to have completed on the sale.

During the year the Charity has also been moving from occupying 2 properties (Hope Street, Sandbach and Gatefield Street, Crewe) to occupying 1. The reason for the move was to reduce expenditure and to focus on generating additional income from the Gatefield Street office.



The Trustees agreed a refurbishment plan for Gatefield Street using some of the income from the sale of the Macclesfield property. The refurbishment includes, new windows, full electrical rewire, new lighting, redecoration and new flooring. Initial plans had included some structural changes however due to a reduction in the organisations funding these have been put on hold with the general refurbishment taking priority. During 2019-2020 the Charity spent £21,982 on the refurbishment works. During 2020-2021 it is expected to spend a further £34,000.

The total end of year showed a net position of -£7,577. This position included:

- A transfer due to the sale of the Macclesfield Site. In the accounts this asset was valued at £110,000, the Charity achieved a sale value of £100,000.
- Some exceptional costs during the year including; the refurbishment costs mentioned above, costs for the sale of Macclesfield and the rental of our office in Sandbach and legal fees relating to the Social Action Partnership contract.

With the removal of the exceptional income (sale of Macclesfield) and expenditure (listed above) there was an operational surplus of £20,412.

During 2020-2021 the Charity is planning to use reserves. The Charity was unsuccessful in securing the contract from Cheshire East Council which supports the services delivered by the Charity. The contract value in 2019-2020 was £199,433. This was going to be reduced in the new tender to £150,000 so even if the contract was secured the Charity would have seen a drop off 25% in funding.

The initial funding plan that the Charity had in place for securing funding had to be put on hold when the COVID-19 crisis hit. The normal funding routes for the Charity changed and the focus is to secure funding through the altered funding channels with a refreshed funding plan during 2020-2021 when the funding landscape begins to return to normal. The Charity still expects to use reserves during 2020-2021.

### **Ongoing contracts**

During 2019-2020 the Charity continued to deliver the following contracts; European funding secured through the Building Better Opportunities fund and an ESF technical assistance project. These funds have been extended and are due to end July 2021.

Funding from Sport England was secured through a partnership project with Chester Voluntary Action and Warrington Voluntary Action. This is a 3 year project and is due to end October 2020.

ESF Technical Assistance. This funding was extended and is now due to end September 2021.

East Cheshire NHS Trust Volunteering programme. This contract has been extended for 2 years and is due to end March 2022.

### **Investment policy and objectives**

The Charity takes a cautious approach towards investments, adopting a short term, low risk policy.

During 2019-2020 the Trustees reviewed the investment of the reserves in savings accounts, moving the funds to new accounts to ensure they are securing the best return while maintaining a low risk policy.

## **FUTURE DEVELOPMENTS**

The Future plans of the Charity have been directly impacted by COVID-19 and have led to the Charity focusing on the Building Dynamic Communities aim.

When the community in Cheshire East went into lock down, as a Charity we focused on supporting the members and wider VCFSE Sector to respond. We provided regular online meetings, updated our

website regularly with all the current guidance and information and developing a database of services that were open that could be used by statutory partners to refer individuals into.

We put the volunteering service on hold as Cheshire East Council managed a COVID Volunteering response programme and our members stopped wanting/needing general volunteer support.

We want to take advantage of the success of the increased use of technology through the pandemic and build on this to increase our capacity to deliver more support than in previous years.

The main activities planned for 2020-2021 are:

- 1) Full review of the GRIPP Checklist ensuring that this is completed and that we are able to use this to measure the movement of the organisation and be clear how our actions (through the action plan) have contributed to this.
- 2) Build on the current network model, developing new networks to support bringing together individuals with similar interests to connect, learn and act. Continue the use of virtual meetings to enable the Charity to deliver more.
- 3) Development of a peer support service aimed at staff and volunteers within VCFSE organisations. This service is aimed at addressing the mental health and isolation issues that some of these individuals are starting to experience. This would initially be delivered by staff at CVS with us then recruiting others from the VCFS to support their peers.
- 4) Development of an online portal where network members can link together and network independently. Ensure within this that there is the option for individuals to offer peer to peer support and advice and to request specific areas of support from each other.
- 5) Review the IT system used for advertising volunteers – this is linked to the online portal above. Within this we are also looking at what we are able to offer the groups above our current offer enabling them to have a system to manage their volunteers.
- 6) Development of an Intelligence hub - Enhanced insight sharing through creating an online VCFS insight and intelligence hub containing:
  - Intelligence reports produced by CVS e.g. current VCFS COVID impact survey
  - Links to national data e.g. NCVO,
  - Local data produced by VCFSE organisations or other stakeholders, including research with volunteers
  - Guidance on legislation and COVID updates – with summary of what this means for the sector
  - E-bulletin information sharing the insight and intelligence
  - Staff specialisms creation of space online for each specialism
- 7) Review of data collection, reporting, and marketing of the service.
  - Ensure that quarterly monitoring is presented in diagram/infographic – using tableau
  - Put in place new monitoring and feedback process
  - Utilise the tableau for members send out evidence of support offered
- 8) Secure funding and develop a sustainable funding model for the Charity including; completion of refurbishment and launch building as a meeting space and a review of the membership model with the aim of simplifying the payment process and increasing engagement.

Community And Voluntary Services Cheshire East

Statement of Financial Activities

for the year ended 31 March 2020

	Notes	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income and endowments from:					
Donations and legacies	4	3,269	-	3,269	1,089
Charitable activities	5	248,728	107,203	355,931	300,828
Other trading activities	6	67,739	-	67,739	66,914
Investments	7	471	-	471	186
Other	8	99,984	-	99,984	1,500
Total		420,191	107,203	527,394	370,517
Expenditure on:					
Other	9	330,551	99,980	430,531	346,814
Total		330,551	99,980	430,531	346,814
Net gains on investments		-	-	-	-
Net income	10	89,641	7,222	96,863	23,703
Transfers between funds		(110,601)	6,161	(104,440)	-
Net (expenditure)/income before other gains/(losses)		(20,960)	13,383	(7,577)	23,703
Other gains and losses					
Net movement in funds		205,960)	13,383	(7,577)	23,703
Reconciliation of funds:					
Total funds brought forward		679,930	2,412	682,342	658,639
Total funds carried forward		658,970	15,795	674,765	682,342

Community And Voluntary Services Cheshire East  
 Summary Income and Expenditure Account  
 for the year ended 31 March 2020

	2020 £	2019 £
Income	526,923	370,331
Interest and investment income	471	186
Gross income for the year	<u>527,394</u>	<u>370,517</u>
Expenditure	424,139	346,081
Depreciation and charges for impairment of fixed assets	6,392	733
Total expenditure for the year	<u>430,531</u>	<u>346,814</u>
Net income before tax for the year	96,863	23,703
Net income for the year	<u><u>96,863</u></u>	<u><u>23,703</u></u>

## Community And Voluntary Services Cheshire East

## Balance Sheet

at 31 March 2020

Company No. 07019841	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	12	315,048	424,209
		<u>315,048</u>	<u>424,209</u>
Current assets			
Debtors	13	159,260	34,075
Cash at bank and in hand		234,224	258,371
		<u>393,484</u>	<u>292,446</u>
Creditors: Amount falling due within one year	14	(18,777)	(12,660)
Net current assets		<u>374,707</u>	<u>279,786</u>
Total assets less current liabilities		689,755	703,995
Creditors: Amounts falling due after more than one year	15	(14,990)	(21,653)
Net assets excluding pension asset or liability		<u>674,765</u>	<u>682,342</u>
Total net assets		<u><u>674,765</u></u>	<u><u>682,342</u></u>
The funds of the charity			
Restricted funds	16		
Restricted income funds		15,795	2,412
		<u>15,795</u>	<u>2,412</u>
Unrestricted funds	16		
General funds		658,970	460,348
Designated funds		-	219,582
		<u>658,970</u>	<u>679,930</u>
Reserves	16		
Total funds		<u><u>674,765</u></u>	<u><u>682,342</u></u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the year ended 31 March 2020 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 24th Sept 2020

And signed on its behalf by:

M Hulme  
Trustee

Community And Voluntary Services Cheshire East

Statement of Cash flows

for the year ended 31 March 2020

	2020 £	2019 £
Cash flows from operating activities		
Net (expenditure)/income per Statement of Financial Activities	(7,577)	23,703
Adjustments for:		
Depreciation of property, plant and equipment	687	733
Loss on disposal of tangible fixed assets	5,705	-
Dividends, interest and rents from investments	(100,455)	(1,686)
Other gains/losses	-	-
(Increase)/Decrease in trade and other receivables	(125,185)	64,415
Increase in trade and other payables	6,117	1,515
Net cash (used in)/provided by operating activities	<u>(220,708)</u>	<u>88,680</u>
Cash flows from investing activities		
Proceeds from sales of property, plant and equipment	104,295	-
Payments for property, plant and equipment	(1,526)	-
Dividends, interest and rents from investments	100,455	1,686
Net cash from investing activities	<u>203,224</u>	<u>1,686</u>
Cash flows from financing activities		
Repayments of obligations under finance lease and hire purchase contracts	(6,663)	(6,662)
Net cash used in financing activities	<u>(6,663)</u>	<u>(6,662)</u>
Net (decrease)/increase in cash and cash equivalents	(24,147)	83,704
Cash and cash equivalents at the beginning of the year	258,371	174,666
Cash and cash equivalents at the end of the year	<u>234,224</u>	<u>258,370</u>
Components of cash and cash equivalents		
Cash and bank balances	234,224	258,371
	<u>234,224</u>	<u>258,371</u>

## 1 Accounting policies

### 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.

### Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

### Fund accounting

**Unrestricted funds** These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.

**Designated funds** These are unrestricted funds earmarked by the trustees for particular purposes.

**Revaluation funds** These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.

**Restricted funds** These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

### Income

**Recognition of income** Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

**Income with related expenditure** Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

**Donations and legacies** Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

**Tax reclaims on donations and gifts** Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.

**Donated services and facilities** These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.

**Volunteer help** The value of any volunteer help received is not included in the accounts.

**Investment income** This is included in the accounts when receivable.

**Gains/(losses) on revaluation of fixed assets** This includes any gain or loss resulting from revaluing investments to market value at the end of the year.

**Gains/(losses) on investment assets** This includes any gain or loss on the sale of investments.

#### Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

#### Taxation

The charity is exempt from corporation tax on its charitable activities.

#### Tangible fixed assets and depreciation

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Computers	20% Straight Line
Fixtures & Fittings	20% Reducing Balance

#### Freehold investment property

Investment properties are measured initially at cost and subsequently at fair value at each balance sheet date and are not depreciated. All gains or losses are taken to the Statement of Financial Activities as they arise.

#### Intangible fixed assets and amortisation

Intangible fixed assets (including purchased goodwill, patents and trademarks) are carried at cost less accumulated amortisation and impairment losses.

#### Trade and other 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.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.



#### Trade and other creditors

Short term creditors are measured at the transaction price. Other 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.

#### Leased assets

Where the charity enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a finance lease.

Leases which do not transfer substantially all the risks and rewards of ownership to charity are classified as operating leases.

Assets held under finance leases are initially recognised as assets of the charity at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet date as a finance lease obligation. Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the charity's policy on borrowing costs.

Assets held under finance leases are depreciated in the same way as owned assets.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis.

#### Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

## 2 Company status

The company is a private charity limited by guarantee and consequently does not have share capital.

3 Statement of Financial Activities - prior year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Income and endowments from:			
Donations and legacies	1,089	-	1,089
Charitable activities	250,635	50,193	300,828
Other trading activities	66,914	-	66,914
Investments	186	-	186
Other	1,500	-	1,500
Total	<u>320,324</u>	<u>50,193</u>	<u>370,517</u>
Expenditure on:			
Other	301,455	45,359	346,814
Total	<u>301,455</u>	<u>45,359</u>	<u>346,814</u>
Net income	<u>18,869</u>	<u>4,834</u>	<u>23,703</u>
Transfers between funds	(1,596)	1,596	-
Net income before other gains/(losses)	<u>17,273</u>	<u>6,430</u>	<u>23,703</u>
Other gains and losses:			
Net movement in funds	<u>17,273</u>	<u>6,430</u>	<u>23,703</u>
Reconciliation of funds:			
Total funds brought forward	663,176	(4,537)	658,639
Total funds carried forward	<u>680,449</u>	<u>1,893</u>	<u>682,342</u>

4 Income from donations and legacies

	Unrestricted £	Total 2020 £	Total 2019 £
Donations	3,269	3,269	1,089
	<u>3,269</u>	<u>3,269</u>	<u>1,089</u>

5 Income from charitable activities

	Unrestricted £	Restricted £	Total 2020 £	Total 2019 £
Restricted Funds	-	107,203	107,203	50,193
Unrestricted Funds	248,728	-	248,728	250,028
	-	-	-	607
	<u>248,728</u>	<u>107,203</u>	<u>355,931</u>	<u>300,828</u>

6 Income from other trading activities

	Unrestricted	Total 2020	Total 2019
	£	£	£
Activity for Generating Funds	20,501	20,501	29,759
Rent	8,461	8,461	7,200
Membership Fees	12,390	12,390	12,025
Business Services	26,387	26,387	17,930
	<u>67,739</u>	<u>67,739</u>	<u>66,914</u>

7 Income from investments

	Unrestricted	Total 2020	Total 2019
	£	£	£
Bank Interest	471	471	186
	<u>471</u>	<u>471</u>	<u>186</u>

8 Other income

	Unrestricted	Total 2020	Total 2019
	£	£	£
	-	-	1,000
Other Income	399	399	500
Sale of Park Lane	99,585	99,585	-
	<u>99,984</u>	<u>99,984</u>	<u>1,500</u>

9 Other expenditure

	Unrestricted	Restricted	Total 2020	Total 2019
	£	£	£	£
CVSCE Events Networking/General	174	1,823	1,997	1,847
CVSCE Events Volunteering/Funding	1,328	-	1,328	984
Employee costs	227,970	63,913	291,883	267,480
Motor and travel costs	5,557	1,188	6,745	7,165
Premises costs	32,130	2,547	34,677	17,278
Amortisation, depreciation, impairment, profit/loss on disposal of fixed assets	6,392	-	6,392	733
General administrative costs	11,796	2,008	13,804	23,213
Legal and professional costs	45,204	28,501	73,705	28,114
	<u>330,551</u>	<u>99,980</u>	<u>430,531</u>	<u>346,814</u>

Community And Voluntary Services Cheshire East  
Notes to the Accounts

10 Net income before transfers

	2020	2019
	£	£
This is stated after charging:		
Depreciation of owned fixed assets	687	733
11 Staff costs		
Salaries and wages	263,777	257,885
Social security costs	16,432	-
Pension costs	6,131	7,148
	<u>286,340</u>	<u>265,033</u>

No employee received emoluments in excess of £60,000.

The average monthly number of full time equivalent employees during the year was as follows:

	2020	2019
	Number	Number
All Cheshire Offices	18	15
	<u>18</u>	<u>15</u>

CVSCE operate pension schemes with Scottish Widows and Aegon

12 Tangible fixed assets

	Land and buildings	Computers	Fixtures & Fittings	Total
	£	£	£	£
Cost or revaluation				
At 1 April 2019	421,281	35,429	7,512	464,222
Additions	-	-	1,526	1,526
Disposals	(110,000)	-	-	(110,000)
At 31 March 2020	<u>311,281</u>	<u>35,429</u>	<u>9,038</u>	<u>355,748</u>
Depreciation and impairment				
At 1 April 2019	-	33,207	6,806	40,013
Depreciation charge for the year	-	444	243	687
At 31 March 2020	<u>-</u>	<u>33,651</u>	<u>7,049</u>	<u>40,700</u>
Net book values				
At 31 March 2020	<u>311,281</u>	<u>1,778</u>	<u>1,989</u>	<u>315,048</u>
At 31 March 2019	<u>421,281</u>	<u>2,222</u>	<u>706</u>	<u>424,209</u>

13 Debtors

	2020	2019
	£	£
Trade debtors	156,304	31,119
Prepayments and accrued income	2,956	2,956
	<u>159,260</u>	<u>34,075</u>

Community And Voluntary Services Cheshire East  
Notes to the Accounts

14 Creditors:

amounts falling due within one year

	2020	2019
	£	£
Trade creditors	18,453	10,343
Other creditors	324	158
Accruals and deferred income	<u>          </u>	<u>2,159</u>
	<u>18,777</u>	<u>12,660</u>

15 Creditors:

amounts falling due after more than one year

	2020	2019
	£	£
Obligations under finance lease and hire purchase contracts	<u>14,990</u>	<u>21,653</u>
	<u>14,990</u>	<u>21,653</u>
Liabilities repayable in more than five years after the balance sheet date		
Amount repayable other than by instalments	<u>-</u>	<u>221,996</u>
	<u>-</u>	<u>221,996</u>

Notes to Creditors as long term liabilities:

CVSCE holds freehold property at Gatefield Street Crewe, the property were purchased with grant assistance and should either property be sold CVSCE is required to payback the grant assistance.

16 Movement in funds

	At 1 April 2019	Incoming resources (including other gains/losses) £	Resources expended £	Gross transfers £	At 31 March 2020 £
Restricted funds:					
Restricted income funds:					
EU Settlement	-	39,670	(39,710)	40	-
Awards For All	2,709	9,875	-	(2,709)	9,875
CCF	519	5,920	(515)	(4)	5,920
ESF BBO	-	22,973	(20,192)	(2,781)	-
ESF TA	(816)	13,492	(24,291)	11,615	-
Sport England	-	15,272	(15,272)	-	-
<i>Total</i>	<u>2,412</u>	<u>107,203</u>	<u>(99,980)</u>	<u>(6,161)</u>	<u>15,795</u>
Unrestricted funds:					
General funds	460,348	285,940	(330,333)	243,015	658,970
Designated funds:					
EC NHS Macclesfield	-	34,667	-	(34,667)	-
Sale of Park Lane	(2,414)	99,585	(218)	(96,953)	-
Property Hope Street	221,996	-	-	(221,996)	-
<i>Total</i>	<u>219,582</u>	<u>134,252</u>	<u>(218)</u>	<u>(353,616)</u>	<u>-</u>
Revaluation Reserves:					
<b>Total funds</b>	<u><u>682,342</u></u>	<u><u>527,394</u></u>	<u><u>(430,531)</u></u>	<u><u>(104,440)</u></u>	<u><u>674,765</u></u>

17 Analysis of net assets between funds

	Unrestricted funds £	Total £
Fixed assets	315,048	315,048
Net current assets	374,707	374,707
Creditors due in more than one year and provisions	(14,990)	(14,990)
	<u>674,765</u>	<u>674,765</u>

18 Reconciliation of net debt

	At 1 April 2019 £	Cash flows £	New HP/Finance leases £	At 31 March 2020 £
Cash and cash equivalents	258,371	(24,147)		234,224
	<u>258,371</u>	<u>(24,147)</u>	-	<u>234,224</u>
Obligations under HP/Finance leases	(21,653)	6,663	-	(14,990)
	<u>(21,653)</u>	<u>6,663</u>	-	<u>(14,990)</u>
Net debt	<u>236,718</u>	<u>(17,484)</u>	-	<u>219,234</u>

19 Commitments

*Operating lease commitments*

Annual commitments under non-cancellable operating leases are as follows:

	2020 Land and buildings £	2020 Other £	2019 Land and buildings £	2019 Other £
Operating leases with expiry date:				
Within one year	14,990	-	-	28,315
	<u>14,990</u>	<u>-</u>	<u>-</u>	<u>28,315</u>

*Pension commitments*

	2020 £	2019 £
The pension cost charge to the company amounted to:	<u>6,131</u>	<u>7,148</u>

20 Related party disclosures

*Controlling party*

Community And Voluntary Services Cheshire East  
Detailed Statement of Financial Activities  
for the year ended 31 March 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Income and endowments from:				
Donations and legacies				
Donations	3,269	-	3,269	1,089
Charitable activities Restricted Funds	-	107,203	107,203	50,193
Charitable activities Unrestricted Funds	248,728	-	248,728	250,028
Refugee Welcome	-	-	-	607
Activity for Generating Funds	20,501	-	20,501	29,759
Rent	8,461	-	8,461	7,200
Membership Fees	12,390	-	12,390	12,025
Business Services	26,387	-	26,387	17,930
Bank Interest	471	-	471	186
CCF	-	-	-	1,000
Other Income	399	-	399	500
Sale of Property	99,585	-	99,585	-
<b>Total income and endowments</b>	<b>420,191</b>	<b>107,203</b>	<b>527,394</b>	<b>370,517</b>
Expenditure on:				
CVSCE Events Networking/General	174	1,823	1,997	1,847
CVSCE Events Volunteering/Funding	1,328	-	1,328	984
Salaries/wages	202,298	61,479	263,777	257,885
Employer's NIC	14,189	2,243	16,432	-
Pension costs	5,940	191	6,131	7,148
Staff recruitment	3,910	-	3,910	1,240
Staff training	1,633	-	1,633	1,207
Travel and subsistence	5,557	1,188	6,745	7,165
Rates	1,148	100	1,248	1,285
Light, heat and power	4,592	320	4,912	6,314
Premises cleaning	26,390	2,127	28,517	9,679
Depreciation of Computers	444	-	444	556
Depreciation of Fixtures & Fittings	243	-	243	177
Loss on disposal of tangible fixed assets	5,705	-	5,705	-
Bad debts	231	-	231	-
Bank charges	60	-	60	60
Equipment expensed	326	-	326	861
Exchange rate (gain)/loss	84	-	84	90
General insurances	2,833	-	2,833	2,946
Information and publications	(250)	765	515	4,829
Postage and couriers	706	-	706	331
Software, IT support and related costs	3,015	1,122	4,137	4,502



Community And Voluntary Services Cheshire East  
Detailed Statement of Financial Activities

Stationery and printing	653	-	653	678
Subscriptions	847	-	847	2,879
Sundry expenses	345	4	349	752
Telephone, fax and broadband	2,946	117	3,063	5,285
Accountancy and bookkeeping	2,535	-	2,535	2,534
Consultancy fees	20,143	28,501	48,644	14,081
Other legal and professional costs	22,526	-	22,526	11,499
Total of expenditure	<u>330,551</u>	<u>99,980</u>	<u>430,531</u>	<u>346,814</u>
Net income	89,641	7,222	96,863	23,703
Transfers between funds	(110,601)	6,161	(104,440)	-
Net (expenditure)/income before other gains/(losses)	(20,960)	13,383	(7,577)	23,703
Other Gains	-	-	-	-
Net movement in funds	<u>(20,960)</u>	<u>13,383</u>	<u>(7,577)</u>	<u>23,703</u>
Reconciliation of funds:				
Total funds brought forward	679,930	2,412	-	682,342
Total funds carried forward	<u>658,970</u>	<u>15,795</u>	<u>-</u>	<u>682,342</u>