

**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**  
**AUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2020**

**Company Registration Number: 04061592**  
**Charity Number: 1084083**

**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2020**

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**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**  
**MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS**  
**YEAR ENDED 31 MARCH 2020**

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<b>The board of trustees</b>	David Barker Ian Dodds Paul Ennals Michael Pratt Steve Rose (retired November 2019) Claire Sullivan (retired August 2019) Fiona Wharton Alison Dunn Donna Bulmer Kasia Kurowska Jennifer McAteer David Robinson Steven Duckworth (appointed December 2019) Michael Fawole (appointed November 2019) Edward Kunonga (appointed November 2019) Kerry Robinson (appointed November 2019) Kumareswaradas Ramanathas (appointed xxx)
<b>Company secretary</b>	Carol Ownsworth (nee Botten)
<b>Registered office</b>	4 <sup>th</sup> Floor MEA House Ellison Place Newcastle upon Tyne Tyne and Wear NE1 8XS
<b>Accountants</b>	Debére Limited Chartered Accountants Swallow House Parsons Road Washington Tyne and Wear NE37 1EZ
<b>Auditors</b>	Read, Milburn & Co Chartered Accountants 71 Howard Street North Shields Tyne and Wear NE30 1AF
<b>Bankers</b>	Unity Trust Bank Plc Four Brindleyplace Birmingham B1 2HB

**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**  
**TRUSTEES' ANNUAL REPORT**  
**YEAR ENDED 31 MARCH 2020**

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The trustees, who are the directors of the organisation for the purpose of Company Law, present their annual director's report together with the charity's financial statements for the year ended 31 March 2020, which are also prepared to meet the requirements of 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 (SORP) 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).

**Reference and administrative details**

**Name:** Voluntary Organisations' Network North  
Ellison  
East (VONNE)  
**Charity Registration Number:** 1084083

**Registered Office:** 4<sup>th</sup> Floor, MEA House,  
Place, Newcastle upon Tyne NE1 8XS  
**Company Registration Number:** 4061592

Names of the charity trustees at the date this report was approved:

**Chair:** Sir Paul Ennals  
**Treasurer:** Donna Bulmer

**Trustees:**

Vice Chair: David Barker MBE  
Ian Dodds, Fiona Wharton, Mike Pratt, Kerry Robinson\*, Alison Dunn, Jenny McAteer, David Robinson,  
Kasia Kurowska, Steven Duckworth\*, Michael Fawole\*, Professor Edward Kunonga\* and Kumareswaradas  
Ramanathas\*

\*all appointed at AGM November 2019

**Company Secretary:** Carol Ownsworth (nee Botten)

**Key Management Personnel:** Carol Botten, Chief Executive; Anne Fry, Deputy Chief Executive

**Bankers:** Unity Trust Bank plc, Four Brindleyplace, Birmingham, B1 2HB

**Accountants:** Debere, Swallow House, Parsons Road, Washington, Tyne and Wear, NE37 1EZ

**Auditors:** Read Milburn & Company, 71 Howard Street, North Shields, Tyne & Wear NE30 1AF

## VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST

### TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2020

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#### **Structure, governance and management**

##### **Governing document**

The organisation is controlled by its governing document, the Articles of Association and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006, and is a registered charity.

##### **Recruitment and appointment of new trustees**

The VONNE trustee board has between three and fifteen members. Trustees to the VONNE board are nominated and elected from the membership. Notice is sent to all members prior to the Annual General Meeting (AGM), with each member organisation entitled to vote. Up to six trustees may be appointed by serving trustees for their particular expertise, qualifications, and knowledge.

##### **Induction and training of new trustees**

New trustees have a full induction delivered by the chief executive and key team members prior to attending their first board meeting. They are provided with an induction pack containing all the key information about VONNE, Charity Commission guidance, role descriptions and other relevant materials.

##### **Organisational structure**

VONNE is managed by a Board of Trustees elected from the membership and governed by the Memorandum and Articles of Association.

The board takes all strategic decisions relating to VONNE, including:

- Receiving and reviewing reports from the chief executive and company secretary;
- Acting as the formal employer of VONNE's staff, ensuring that activity and performance is regularly reviewed and evaluated;
- Monitoring and assessing the financial position of VONNE, including budget setting;
- Developing, reviewing and monitoring VONNE's strategic plan and annual work plan to influence and direct VONNE's work;
- Agreeing and reviewing appropriate policies and ensuring VONNE meets its legal responsibilities;
- Communicating relevant information and views gathered outside of VONNE to staff and trustees. There is a finance sub-group which reports to the board on finance, internal policy and HR issues.

##### **Risk management**

Trustees reviewed the risk register this year and monitor it regularly with a full review annually. Trustees are confident that risks have been identified, appropriate preventative measures are in place and remedial activities are available. VONNE's financial processes are regularly reviewed both by the board and externally, to ensure they continue to be robust.

##### **Indemnity insurance**

VONNE has professional indemnity insurance cover, in respect of the trustees and officers of the charity.

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## VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST

### TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2020

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#### VONNE'S mission



To support the development and sustainability of a strong, effective and well governed Voluntary, Community and Social Enterprise (VCSE) sector, and promote engagement, involvement and collaboration within the sector as a valued partner.

#### VONNE's strategic aims 2015-2020

- To be the expert source of knowledge and intelligence on the VCSE sector in the North East.
- To be a source of information to the VCSE sector on issues that impact upon it.
- To raise the North East sector's profile and be a leading voice on its behalf.
- To support external stakeholders to effectively engage and collaborate with the VCSE sector.
- To support the North East VCSE sector to be effective, ambitious and enterprising.
- VONNE also aims to be an effective and sustainable organisation.

#### VONNE's values

- Striving for excellence
- Transparency
- Inclusivity and fairness
- Learning and sharing

#### Public benefit

- VONNE's objectives provide benefit to the public in the North East region of England (area of benefit) by promoting and supporting the effectiveness of voluntary and community organisations.
- Trustees of VONNE confirm they have read and paid due regard to the Charity Commission's guidance on public benefit. The trustees confirm they've complied with their duties under Section 4 of the Charities Act 2006 with regard to public benefit. Having considered the guidance, the trustees have concluded that the work of VONNE directly supports and strengthens the VCSE sector in the North East with information and support, and strengthens the VCSE sector's ability to influence policy and practice in the region.

## VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST

### TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2020

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#### **ANNUAL REVIEW**

##### **VONNE membership**

Our 1,200+ members, 23 per cent of whom are Membership+ supporters (a membership scheme with enhanced benefits for a variable fee), allow us to continue our work to strengthen and support the VCSE sector in the North East. Around a third of our Membership+ supporters for the year were renewing members.

Following the initial outbreak of the COVID-19 pandemic, we mobilised very quickly to reconfigure our services, with the whole staff team working remotely from home by March 18<sup>th</sup> 2020, before a full lockdown was implemented by government. As a result, our services have continued with minimal disruption to our members.

##### **VONNE jobs**

Our job and trustee advertising services continue to develop. Our jobs pages receive an average of around 33,000 page views per month, which is a significant increase of 65 per cent on last year. We also advertised almost 1,000 job and trustee vacancies in sector organisations across the region through the year, a very slight decrease on the previous year, with uncertainty around Brexit and the beginning of the lockdown surrounding the COVID-19 pandemic likely to have had an impact.

##### **Developing our member services**

Last year we built upon the previous year's newly launched enhanced recruitment, trustee finder, and salary benchmarking services to support the sector. All continue to receive positive feedback, and these generated an income of £1,635 from four contracts throughout the year, with a pipeline of an additional £3,050 from four further contracts.

##### **Information and intelligence**

We raise the profile of the sector and ensure it is valued as an equal partner. We are an expert source of intelligence on the sector and provide information to the sector on the issues that affect it.

##### **Our ebulletins**

Our various ebulletins inform the North East sector on relevant news and events, providing up to date funding opportunities, job and trustee vacancies and news on criminal justice and health and wellbeing matters. Last year we sent our ebulletins to more than 10,700 opted-in subscribers, a 30 per cent increase on the previous year.

##### **EU exit implementation group**

Our role in the North East EU Exit Implementation Group means we have been able to stay up to date on developments and research on the impact of Brexit, and we have passed that intelligence on to the sector, whilst ensuring the North East sector's voice has been heard in national conversations.

However, significant efforts to engage the VCSE sector in preparing for Brexit during 2019 and early 2020 were considered futile as there was so much ongoing uncertainty about how and when we would exit the European Union (EU), followed by the outbreak of the COVID-19 pandemic. Until these matters were addressed, our ability to engage the sector with anything concrete, and our ability to influence future policy and funding relating to Brexit (such as the UK Shared Prosperity Fund, which offers a key opportunity to address inequalities at a regional and local level) were severely limited.

## VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST

### TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2020

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#### **EU exit implementation group** *(continued)*

With the result of the General Election however, clarity and certainty increased and we are now using our established links with national VCSE infrastructure and specialist initiatives such as the Civil Society Brexit Alliance to help the sector prepare for a full and final exit from the EU.

The consultation on the UK Shared Prosperity Fund will continue to be a key focus, and we are well positioned nationally for this with VONNE's role on the European Social Investment Fund (ESIF) Growth Programme Board, North East Local Enterprise Partnership (NELEP) area ESIF sub-committee, and the UK Shared Prosperity Fund Working Group.

#### **Partnerships and collaboration**

We facilitate networks to strengthen the voluntary, community and social enterprise sector and act as a 'connector', bringing people and organisations together to make things happen.

#### **Networks**

We provide networking and peer learning opportunities for chief executives through our Membership+ supporter scheme and CEO Networking Breakfasts. We facilitate the North East and Cumbria Funders' Network, through which we continue to support funders to share information and work more collaboratively to better support grant applicants. In 2020, we are taking a new place-based approach to further increase practical information exchange and partnership work, which we hope will build trust and relationships to more effectively align resources with needs.

We are a member of the North East Social Leaders Network Collaboration and Better Governance Groups, and within the North East Local Enterprise Partnership (NELEP), on which our CEO now serves as a board member, we represent the sector on the North East Employment and Skills Advisory Panel, the Employment Inclusion and Progressions Steering Group, and the VCSE Employment, Inclusion and Skills Focus Group.

We also support networks of Local Infrastructure Organisations (LIOs) in the north and south of the region, bringing them together, both to facilitate joint working, and to disseminate relevant policy information from VONNE to their grassroots member groups.

This year, we have developed partnership projects including:

- **Safer Culture North East** with LIOs from across the region, to deliver events and resources to embed robust safeguarding policies and procedures in organisations throughout the sector.
- **Local Access Redcar & Cleveland and Hartlepool**, which will tackle local inequality by boosting the Tees Valley's social economy.
- **Small Charity Week North East** with LIOs and other partner organisations, to support and celebrate our region's smallest charities, which make up around 90 per cent of the sector.
- The **VONNE Climate Action Alliance**, drawing together 18 VSCE organisations to support the communities of the North East of England to confront the climate crisis.
- The cross-sectoral **North East England Climate Coalition** to catalyse a regional approach to addressing the climate emergency, with a focus on climate, nature and the need for a just transition.



## VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST

### TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2020

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#### Health and wellbeing

Our Health and Wellbeing Associate leads for VONNE in supporting engagement of the sector in the various levels of health and care planning and commissioning. She is also the North East Social Prescribing Facilitator, working with NHS England, and leads the NE Regional Social Prescribing Network to support the roll out of social prescribing across the region. VONNE has a lead role in representing the VCSE sector as a strategic partner within the North East and North Cumbria Integrated Care System (ICS), the partnership across health and care to join up planning and service delivery in health, care and wellbeing.

Last year:

- We collaborated with ICS partners to secure funding via the NHSE VCSE Leadership Alliance Programme for VONNE to act as the VCSE lead partner to support the VCSE in the North East and North Cumbria (NENC) to have greater strategic voice and influence within the ICS level, and to create a VCSE Partnership Alliance.
- We led on securing NENC ICS Workforce Development Funds via the Workforce Transformation and Strategy Board, to support delivery of a Level 3 Accredited Social Prescribing Link Worker training programme in the North East and North Cumbria, providing funded places for more than 40 social prescribing link workers and delivering two major North East Social Prescribing Network events.

#### Digital and innovation

Supported by the Innovation Supernetwork and the European Regional Development Fund (ERDF), our programme of support for the sector around understanding and embracing digital and innovation, continues to develop.

The Deputy CEO was invited to be part of a national steering group for the Charity Digital Code, which was launched in November 2019 and formally announced in March 2020. The aim of the code is to help charities identify key actions they need to take to stay relevant and increase impact, efficiency and sustainability.

VONNE was also instrumental in working with Sound Delivery to bring its flagship Social Media Exchange conference to the North East in March 2020, the first time it had been held outside London.

Last year we also hosted:

- 10 innovation workshops, reaching more than 80 organisations; introducing attendees to the concept of 'innovation', teaching them practical innovation techniques they can use immediately, and supporting them to consider the barriers and challenges their organisation would face in adopting them, as well as ways of overcoming these.
- Five Social Tech meet-ups with a combined attendance of more than 70 individuals from across the digital technology and VCSE sector to network, and share experience and learning.

#### Criminal justice

Our partnership with Clinks ensures the voluntary sector in the North East is kept up to date with changes to criminal justice policy, in partnership with local organisations and agencies, to build strategic relationships and represent voluntary organisations within local statutory structures. Clinks' development work in the North East focuses on listening to local need and ensuring voluntary organisations have their voice heard both locally and nationally. The area development officer provides one-to-one support to the voluntary sector working in criminal justice. They gather frontline intelligence that informs Clinks' national policy work and strategic direction.

## VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST

### TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2020

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#### **Criminal justice** *(continued)*

Through this partnership, we're continuing to support the *Making Every Adult Matter* (MEAM) areas in Durham, Middlesbrough and Redcar & Cleveland, to improve the system for adults facing multiple disadvantage. Through the MEAM coalition, we provide specialist support to local projects on how to target people that are most in need, improving reporting systems and working towards system change.

#### **Support and resilience**

We provide the sector with funding information and encourage consideration of different funding streams. We also work to increase understanding of the sector needs among funders.

Last year we:

- Worked with Northern Powergrid on its consumer vulnerability conference to address fuel poverty and fair access in the long term, which was attended by more than 100 delegates.
- Supported the North East Charity Awards to celebrate and promote the vital work of the sector across the region.
- Ensured the sector is kept up to date with funding information and opportunities through our Funding Information North East (FINE) service. Usually a benefit of silver and gold Membership+ support, at the outset of the COVID-19 pandemic we temporarily made this open access, and FINE ebulletins were sent to all 3,640 VONNE subscribers. As a result, our online funding directory received more than 2,400 page views, an annual increase of 53 per cent.

#### **FINANCIAL REVIEW**

The 2019/20 financial year saw continued growth of both overall income and expenditure from the previous financial year. Due in part to new project development and project funding for our work on addressing the climate emergency and Safeguarding Partnership Project, and an increase in core earned income from membership fees and job advertising.

At year end, we achieved a small surplus on the general unrestricted fund, in line with the budget for the year. In addition, we spent some designated funds consistent with our strategic objectives and against allocations made towards the end of the previous financial year. Restricted funds related to the Connect Fund project show a deficit in this year, as we spent funds brought forward from the previous financial year.

Core income streams continue to diversify and grow, with jobs advertising income performing particularly well. Membership+ income saw a £10,000 increase from the previous financial year, with new website functionality and communications support increasing levels of renewals to more than 75 per cent, as well as a steady stream of new membership subscriptions.

The COVID-19 pandemic and associated lockdown has seen some of our core income streams – job advertising and membership subscriptions – drop in the first quarter of 2020/21. These are showing signs of recovery in the second quarter. Our continuation funding, project related grants and contract income have remained stable, and we have been successful in securing a government COVID-19 small business grant and charitable grants relating to our COVID-19 activity, to support the VCSE sector in the North East.

In response to the COVID-19 pandemic, the trustees have prepared forecasts for 2021-2023 to take into account the impact on the charity of possible scenarios brought about by the impact of COVID-19 on funding, alongside the measures that can be taken to mitigate the impact. Based on these assessments and the current reserves position, the trustees have concluded they can continue to adopt the going concern basis in preparing the annual report and financial statements.

## VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST

### TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2020

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#### **Reserves policy**

VONNE believes it is important to maintain a reserves policy to ensure effective resource management, and to enable financial viability and longer-term sustainability. Four key elements have been taken into consideration to assess a realistic level of reserves. These are:

1. The reliability of current income sources and new income opportunities.
2. Expenditure on planned activities.
3. Future needs, contingencies and risks.
4. Consequences of being unable to meet forecast needs.

VONNE has no endowment funding and has no significant capital assets it could earn from, or dispose of, to realise additional income. Significant levels of activity are funded through grants or contracts from the public and charitable sectors, but these resources are generally time-limited and are usually restricted by the funder. Uncertainties are compounded by the anticipation of further public spending cuts. In addition, the board considers there to be higher levels of uncertainty around funding and income streams for infrastructure organisations. As a consequence, a conservative reserves policy is considered the most appropriate.

The VONNE board uses a continual process of careful financial management, and will aim to review, establish and maintain adequate reserves to enable the organisation to function effectively. A cautious approach to investment is adopted, maximising income by using interest-earning, short-term, accessible bank accounts.

The board will review annually the amount of funds designated for specific purposes, such as maternity and sickness salary cover, redundancy liability, and organisational development funds (outlined in full below). In addition, the board agrees to hold six to twelve months running costs, with a target of nine months' general unrestricted reserves, to continue VONNE's activities should anticipated income not be received.

#### **Designated Funds**

The current total amount of funds designated for specific purposes is £139,015. Over and above these amounts, VONNE holds a total of £96,880 in general unrestricted reserves, which would be sufficient to continue VONNE's core activities for just under seven months should anticipated income not be received.

Since core costs change from year to year and have such an influence over the total level of reserves required, all elements of this policy will be reviewed bi-annually in June and December, or more frequently if required by the board.

**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**

**TRUSTEES' ANNUAL REPORT** *(continued)*

**YEAR ENDED 31 MARCH 2020**

**The trustees wish to allocate the unrestricted reserve level of £235,895 in the following manner:**

Project development and innovation fund  A project development fund to support new initiatives and unforeseen project activities to strengthen the VCSE sector in the North East or the sustainability of VONNE.	£20,000
European Regional Development Fund (ERDF) Innovation Clusters match fund  Agreed match funding for this ERDF-funded project to support innovation in the North East VCSE sector.	£18,618
Repair and renewals fund  To meet the ongoing costs of repairing and replacing capital equipment, and in particular IT equipment.	£2,500
Maternity cover and jury service reserve  To meet the additional costs of maternity pay and cover, or the costs of longer-term sick leave or jury service.	£43,253
Redundancy fund  To cover the costs of redundancy for individuals whose posts may be lost during a restructure or as a result of funding streams coming to an end. Redundancy costs are calculated on the basis of current weekly pay.	£17,644
Organisational development fund  To meet the development costs of new income generation/sustainability activities for VONNE, including significant staff development investments. Any activities funded would include a proportion of related staff costs.	£22,000
COVID-19 working arrangements reconfiguration fund  To meet the specific costs of any COVID-19 related reconfigurations to the VONNE office or working practices.	£5,000
Office reconfiguration  To meet the costs of longer-term reconfigurations to the VONNE office to enable a more flexible working space.	£10,000
<b>TOTAL DESIGNATED FUNDS</b>	<b>£139,015</b>
Unrestricted (free) reserves	£96,880

## VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST

### TRUSTEES' ANNUAL REPORT *(continued)*

YEAR ENDED 31 MARCH 2020

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#### Statement of trustees' responsibilities

The trustees (who are also the directors of Voluntary Organisations' Network North East for the purposes of company law) are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year that 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 those financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the charity Statement of Recommended Practice (SORP) (FRS102);
- make judgements and estimates that are reasonable and prudent;
- prepare financial statements on an ongoing concern basis, unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charitable company, 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 charitable company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

#### Auditors

The auditors Read, Milburn & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

#### On behalf of the board:



Sir Paul Ennals (Chair)

**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**  
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**  
**YEAR ENDED 31 MARCH 2020**

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**Opinion**

We have audited the financial statements of Voluntary Organisations' Network North East (the 'charitable company') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland, (United Kingdom Generally Accepted Accounting Practice)*.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

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

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**  
**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST** *(continued)*  
**YEAR ENDED 31 MARCH 2020**

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In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Responsibilities of trustees**

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

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

## VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST

### REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST *(continued)*

YEAR ENDED 31 MARCH 2020

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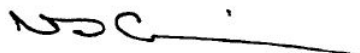
#### **Our responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

#### **Use of this report**

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



Nicholas Liley FCA (Senior Statutory Auditor)  
for and on behalf of Read, Milburn & Co  
71 Howard Street  
North Shields  
Tyne and Wear  
NE30 1AF

2<sup>nd</sup> November 2020



**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)**  
**YEAR ENDED 31 MARCH 2020**

	Notes	Unrestricted Funds General Funds £	Unrestricted Funds Desig- nated Funds £	Restricted Funds £	Total Funds 2020 £	Total Funds 2019 £
<b>INCOME FROM:</b>						
Voluntary income	4	320	–	–	320	–
Investment income	5	3,149	–	–	3,149	4,100
Charitable activities	6	<u>261,684</u>	<u>–</u>	<u>109,109</u>	<u>370,793</u>	<u>282,378</u>
<b>TOTAL INCOME</b>		<u>265,153</u>	<u>–</u>	<u>109,109</u>	<u>374,262</u>	<u>286,478</u>
<b>EXPENDITURE ON:</b>						
<i>Charitable activities</i>		<u>(261,706)</u>	<u>(27,447)</u>	<u>(124,641)</u>	<u>(413,794)</u>	<u>(318,122)</u>
<b>TOTAL EXPENDITURE</b>	7	<u>(261,706)</u>	<u>(27,447)</u>	<u>(124,641)</u>	<u>(413,794)</u>	<u>(318,122)</u>
<b>NET (EXPENDITURE)/INCOME</b>		3,447	(27,447)	(15,532)	(39,532)	(31,644)
Transfers between funds	15	<u>(61,555)</u>	<u>61,555</u>	<u>–</u>	<u>–</u>	<u>–</u>
Net movement in funds	8	(58,108)	34,108	(15,532)	(39,532)	(31,644)
<b>RECONCILIATION OF FUNDS</b>						
Total funds brought forward		<u>154,988</u>	<u>104,907</u>	<u>15,532</u>	<u>275,427</u>	<u>307,071</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>96,880</u>	<u>139,015</u>	<u>–</u>	<u>235,895</u>	<u>275,427</u>

All of the above amounts relate to continuing activities.

The notes on pages 17 to 34 form part of these financial statements

# VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST

Registered Number 04061592

## BALANCE SHEET

31 MARCH 2020

	Notes	2020 £	2019 £
<b>FIXED ASSETS</b>			
Intangible assets	11	9,591	–
Tangible assets	12	<u>4,424</u>	<u>486</u>
		14,015	486
<b>CURRENT ASSETS</b>			
Debtors	13	196,055	32,999
Cash at bank and in hand		<u>285,269</u>	<u>281,982</u>
		481,324	314,981
<b>CREDITORS</b>			
Amounts falling due within one year	14	<u>(259,444)</u>	<u>(40,040)</u>
<b>NET CURRENT ASSETS</b>		221,880	274,941
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>235,895</u>	<u>275,427</u>
<b>NET ASSETS</b>		<u>235,895</u>	<u>275,427</u>
<b>The funds of the charity:</b>			
Unrestricted funds:			
General fund		96,880	154,988
Designated funds		<u>139,015</u>	<u>104,907</u>
		235,895	259,895
Restricted funds		<u>–</u>	<u>15,532</u>
<b>TOTAL FUNDS</b>	15	<u>235,895</u>	<u>275,427</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to small companies regime.

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

These financial statements were approved by the Board of Directors on 10<sup>th</sup> September 2020 and signed on their behalf by:



Donna Bulmer (Treasurer)

The notes on pages 17 to 34 form part of these financial statements

# VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies

#### Accounting convention

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) issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Accounting Practice.

#### Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the levels of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern. In response to the COVID-19 pandemic, the trustees have considered the impact on their business, alongside the measures they can take to mitigate the impact. Based on the assessments made in order to mitigate the current adverse conditions, and the current resources available, the trustees have concluded that they can continue to adopt the going concern basis in preparing the annual report and accounts.

#### Income

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

The income shown in the statement of financial activities represents the value of all services delivered during the year, at selling price exclusive of Value Added Tax. Sales are recognised at the point at which the charity has fulfilled its contractual obligations to the customer.

#### Grant income

Revenue grants are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specific future period, in which case they are deferred.

#### Resources expended and Irrecoverable VAT

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged against the category of resources expenses for which it was incurred.

#### Support costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Premises overheads have been allocated on an apportionment basis and other overheads have been allocated on an apportionment basis.

Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

# VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies *(continued)*

#### Intangible assets

Intangible assets are initially recorded at cost and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Amortisation is provided at the following rates in order to write off each asset over its estimated useful life.

Website development	–	33% on cost
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#### Tangible fixed assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

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

Fixtures and fittings	–	33% on cost
Computer equipment	–	33% on cost

#### 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 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.

#### 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 after allowing for any trade discounts due.

# VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2020

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### 1 Accounting policies *(continued)*

#### 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.

#### Cash flow exemption

The charity has elected to adopt the exemption from preparing a cash flow statement on the grounds that the charity qualifies as a small charity.

#### Taxation

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

#### Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds include amounts allocated to various funds by the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

#### Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

#### Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight-line basis over the period of the lease.

#### Capital commitments

The charity has contractual commitments of £nil (2019: £6,875) in relation to website developments.

#### Critical Accounting Estimates And Areas Of Judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

### 2. Company Status

The company is a company limited by guarantee. The members of the company are the trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

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**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2020**

**3 Statement of Financial Activities for the prior year**

		<b>Unrestricted Funds</b>			<b>Total Funds</b>
	<b>Notes</b>	<b>General Funds</b>	<b>Designated Funds</b>	<b>Restricted Funds</b>	<b>2019</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>INCOME FROM:</b>					
Voluntary income	4	–	–	–	–
Investment income	5	4,100	–	–	4,100
Charitable activities	6	<u>221,297</u>	<u>–</u>	<u>61,081</u>	<u>282,378</u>
<b>TOTAL INCOME</b>		<u>225,397</u>	<u>–</u>	<u>61,081</u>	<u>286,478</u>
<b>EXPENDITURE ON:</b>					
<i>Charitable activities</i>		<u>(265,260)</u>	<u>(4,756)</u>	<u>(48,106)</u>	<u>(318,122)</u>
<b>TOTAL EXPENDITURE</b>	7	<u>(265,260)</u>	<u>(4,756)</u>	<u>(48,106)</u>	<u>(318,122)</u>
<b>NET (EXPENDITURE)/INCOME</b>		(39,863)	(4,756)	12,975	(31,644)
<b>Transfers between funds</b>	15	<u>12,439</u>	<u>(14,996)</u>	<u>2,557</u>	<u>–</u>
<b>Net movement in funds</b>	8	(27,424)	(19,752)	15,532	(31,644)
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<u>182,412</u>	<u>124,659</u>	<u>–</u>	<u>307,071</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u>154,988</u>	<u>104,907</u>	<u>15,532</u>	<u>275,427</u>

**4 Voluntary income**

	<b>Unrestricted</b>	<b>2019</b>
	<b>2020</b>	<b>£</b>
	<b>£</b>	
Donations	<u>320</u>	<u>–</u>

**5 Investment income**

	<b>Unrestricted</b>	<b>2019</b>
	<b>2020</b>	<b>£</b>
	<b>£</b>	
Deposit account interest receivable	<u>3,149</u>	<u>4,100</u>

**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2020**

**6 Income from resources from charitable activities**

	<b>Grant income £</b>	<b>Sales and events £</b>	<b>Total Restricted Funds £</b>	<b>Total Un- restricted Funds £</b>	<b>Total 2020 £</b>	<i>Total 2019 £</i>
<b>Policy &amp; Consultancy Projects</b>						
Local Access Programme – Access Foundation	11,868	–	11,868	–	11,868	–
CLINKS – Regional Development Officer secondment	–	47,509	–	47,509	47,509	46,742
Be The Change Network North of England	–	–	–	–	–	6,000
Commissioning Support – VCSE engagement in health	–	27,800	–	27,800	27,800	17,486
Yes We Can – Leadership Training	–	7,000	–	7,000	7,000	7,200
Northern Powergrid – Community Engagement	–	14,880	–	14,880	14,880	14,880
ERDF: Catalysing Innovation in NE Clusters	–	14,081	14,081	–	14,081	2,165
Northern Powergrid – Event Co- ordination	–	9,933	–	9,933	9,933	–
VCSE Sustainability Partnership Project (Development Phase) – National Lottery Community Fund	11,655	–	11,655	–	11,655	–
North East Climate Coalition – North of England Commissioning Support	10,000	–	10,000	–	10,000	–
North East Climate Coalition – Community Foundation Tyne & Wear and Northumberland Safeguarding Partnership – funded jointly by Dept. for Digital Culture Media and Sport and the National Lottery Community Fund	31,505	–	31,505	–	31,505	–
Development & Co-ordination Support MEA Trust	–	12,252	–	12,252	12,252	–
	<u>75,028</u>	<u>133,455</u>	<u>89,109</u>	<u>119,374</u>	<u>208,483</u>	<u>94,473</u>
<b>Connect Fund North East – Investing for Social Impact</b>						
Barrow Cadbury Trust	8,000	–	8,000	–	8,000	32,000
Community Foundation Tyne and Wear & Northumberland	–	–	–	–	–	3,000
Esmee Fairbairn Foundation Events – Sponsorship	–	–	–	–	–	5,000
	<u>8,000</u>	<u>–</u>	<u>8,000</u>	<u>–</u>	<u>8,000</u>	<u>45,166</u>

**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2020**

**6 Income from resources from charitable activities (continued)**

	Grant income £	Sales and events £	Total Restricted Funds £	Total Un- restricted Funds £	Total 2020 £	Total 2019 £
<b>Funding Information North East</b>						
Rothley Trust	1,000	–	1,000	–	1,000	1,000
Joicey Trust	–	–	–	–	–	2,750
RW Mann Trust	2,000	–	2,000	–	2,000	–
Hadrian Trust	4,000	–	4,000	–	4,000	4,000
Sir James Knott Trust	<u>5,000</u>	–	<u>5,000</u>	–	<u>5,000</u>	<u>5,000</u>
	12,000	–	12,000	–	12,000	12,750
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>North East Funders Network</b>						
The National Lottery Community Fund	–	10,000	–	10,000	10,000	7,450
Ballinger Charitable Trust	–	–	–	–	–	1,000
Community Foundation Tyne & Wear and Northumberland	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>1,000</u>
	–	10,000	–	10,000	10,000	9,450
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>VONNE – Core Income</b>						
Sales and events	1,868	51,621	–	53,489	53,489	50,361
Membership income	–	30,976	–	30,976	30,976	20,978
Policy and consultancy	–	4,845	–	4,845	4,845	7,040
Millfield House Foundation – Core Grant	42,000	–	–	42,000	42,000	40,000
County Durham Community Foundation – Core Grant	–	–	–	–	–	2,160
Hadrian Trust Core Grant	<u>1,000</u>	<u>–</u>	<u>–</u>	<u>1,000</u>	<u>1,000</u>	<u>–</u>
	44,868	87,442	–	132,310	132,310	120,539
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Total</b>	<u>139,896</u>	<u>230,897</u>	<u>109,109</u>	<u>261,684</u>	<u>370,793</u>	<u>282,378</u>



**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2020**

**7 Charitable activities costs**

	Direct costs £	Depre- ciation £	Support Costs £	Events & Meetings £	Governance costs £	Total Funds 2020 £	Total Funds 2019 £
<b>Charitable activities:</b>							
<b>Policy &amp; Consultancy Projects</b>							
Local Access Programme – Access Foundation	9,561	–	1,559	748	–	11,868	–
CLINKS – Regional Development Officer secondment	39,832	–	7,677	–	–	47,509	46,742
Be The Change Network North of England	–	–	–	–	–	–	6,000
Commissioning Support – VCSE engagement in health Yes We Can – Leadership Training	25,199	–	2,601	–	–	27,800	17,486
Northern Powergrid – Community Engagement	6,950	–	–	–	–	6,950	7,200
ERDF: Catalysing Innovation in NE Clusters	12,738	–	2,142	–	–	14,880	14,880
Connect Fund North East – Investing for Social Impact	20,548	–	3,595	–	–	24,143	4,722
Northern Powergrid – Event Co-ordination	–	–	–	–	–	–	29,634
VCSE Sustainability Partnership Project (Development Phase) – National Lottery Community Fund	8,000	–	1,933	–	–	9,933	–
North East Climate Coalition – North of England	7,296	–	4,144	215	–	11,655	–
Commissioning Support North East Climate Coalition – Community Foundation Tyne & Wear and Northumberland	16,669	–	856	25	–	17,550	–
Safeguarding Partnership – funded jointly by Dept. for Digital Culture Media and Sport and the National Lottery Community Fund	16,669	–	856	25	–	17,550	–
Development & Co-ordination Support MEA Trust	29,997	–	1,508	–	–	31,505	–
	<u>9,332</u>	<u>–</u>	<u>2,910</u>	<u>10</u>	<u>–</u>	<u>12,252</u>	<u>–</u>
	<u>202,791</u>	<u>–</u>	<u>29,781</u>	<u>1,023</u>	<u>–</u>	<u>233,595</u>	<u>126,664</u>

**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2020**

**7 Charitable activities costs (continued)**

	Direct costs £	Depre- ciation £	Support Costs £	Events & Meetings £	Governance costs £	Total Funds 2020 £	Total Funds 2019 £
<b>Funding Information North East &amp; North East Funders Network</b>							
FINE	12,000	-	-	-	-	12,000	12,750
North East Funders Network	<u>8,068</u>	<u>82</u>	<u>1,850</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>9,450</u>
	20,068	82	1,850	-	-	22,000	22,200
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	Direct costs £	Depre- ciation £	Support Costs £	Events & Meetings £	Governance costs £	Total Funds 2020 £	Total Funds 2019 £
<b>VONNE – Core Expenditure</b>							
VONNE – Core	126,115	4,906	17,256	6,796	3,126	158,199	167,773
Building Better	-	-	-	-	-	-	485
Governance	-	-	-	-	-	-	1,000
Charity Digital NE	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	126,115	4,906	17,256	6,796	3,126	158,199	169,258
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	348,974	4,988	48,887	7,819	3,126	413,794	318,122
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**Direct costs are made up as follows:**

	<b>2020</b> £	2019 £
Staff costs (per note 10)	242,335	226,257
Research and consultancy	90,744	24,681
Travel and subsistence	8,945	2,853
Training projects	<u>6,950</u>	<u>7,180</u>
	348,974	260,971
	<u>          </u>	<u>          </u>

**Governance costs are made up as follows:**

	<b>2020</b> £	2019 £
AGM expenses	876	1,123
Auditors' remuneration	<u>2,250</u>	<u>1,985</u>
	3,126	3,108
	<u>          </u>	<u>          </u>

**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2020**

**8 Net movement in funds**

Net movement in funds are stated after charging/(crediting):

	<b>2020</b>	<i>2019</i>
	£	£
Auditors' remuneration	2,250	1,985
Depreciation – owned assets	829	193
Website development amortisation	4,159	–
Rent	<u>15,518</u>	<u>14,980</u>

**9 Trustees' remuneration and benefits**

There were no trustees' remuneration or other benefits for the year ended 31 March 2020 nor for the year ended 31 March 2019.

**Trustees' expenses**

During the year ended 31 March 2020, expenses of £nil (2019: £nil) were reimbursed to no trustee (2019: none) for travel costs incurred within the year.

**10 Staff costs**

	<b>2020</b>	<i>2019</i>
	£	£
Wages and salaries	209,884	192,691
Recruitment costs	–	345
Social security costs	15,997	14,847
Pension costs	<u>16,454</u>	<u>18,374</u>
	<u>242,335</u>	<u>226,257</u>

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

	<b>2020</b>	<i>2019</i>
Chief Executive Officer	1	1
Staff	<u>7</u>	<u>6</u>
	<u>8</u>	<u>7</u>

No employees received emoluments in excess of £60,000 (2019: £60,000).

The total remuneration and benefits paid to key management amounted to £93,194 (2019: £90,225)

**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2020**

**11 Intangible fixed assets**

	<b>Website Development £</b>
<b>COST</b>	
At 1 April 2019	25,385
Additions	<u>13,750</u>
At 31 March 2020	39,135
<b>AMORTISATION</b>	
At 1 April 2019	25,385
Charge for the year	<u>4,159</u>
At 31 March 2020	29,544
<b>NET BOOK VALUE</b>	
At 31 March 2020	<u>9,591</u>
At 31 March 2019	<u>—</u>

**12 Tangible fixed assets**

	<b>Fittings and fittings £</b>	<b>Computer Equipment £</b>	<b>Total £</b>
<b>COST</b>			
At 1 April 2019	10,476	18,225	28,701
Additions	<u>—</u>	<u>4,767</u>	<u>4,767</u>
At 31 March 2020	10,476	22,992	33,468
<b>DEPRECIATION</b>			
At 1 April 2019	10,200	18,015	28,215
Charge for year	<u>102</u>	<u>727</u>	<u>829</u>
At 31 March 2020	10,302	18,742	29,044
<b>NET BOOK VALUE</b>			
At 31 March 2020	<u>174</u>	<u>4,250</u>	<u>4,424</u>
At 31 March 2019	<u>276</u>	<u>210</u>	<u>486</u>

**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2020**

**13 Debtors: Amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	£	£
Trade debtors	182,193	8,815
Prepayments	5,469	14,977
Accrued income	7,993	5,389
Other debtors	<u>400</u>	<u>3,818</u>
	<u>196,055</u>	<u>32,999</u>

**14 Creditors: Amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	£	£
Trade creditors	36,129	9,037
Taxation and social security	21,017	4,538
Accruals	5,502	6,586
Deferred income	194,080	17,467
Other creditors	<u>2,716</u>	<u>2,412</u>
	<u>259,444</u>	<u>40,040</u>

**Accrued and Deferred income**

Included in accruals and deferred income / prepayments and accrued income are the following provisions for deferred income/(accrued income):

	<i>1 April</i>			<b>31 March</b>
	<i>2019</i>	<b>Receivable</b>	<b>Released</b>	<b>2020</b>
	£	£	£	£
Membership income	14,000	33,764	(30,976)	16,788
Connect Fund North East - Barrow Cadbury Trust	(4,000)	11,000	(8,000)	(1,000)
North of England Commissioning Support – VCSE engagement in health	3,467	20,800	(24,267)	–
ERDF: Catalysing Innovation in NE Clusters	(1,389)	10,345	(14,081)	(5,125)
North East Climate Coalition	–	80,000	(20,000)	60,000
Safeguarding Partnership – funded jointly by Dept. for Digital Culture Media and Sport and the National Lottery Community Fund	–	40,130	(31,505)	8,625
Design Hops	–	2,200	–	2,200
NENC ICS VCSE Leadership Programme	–	70,000	(3,533)	66,467
CVD Network	–	10,000	–	10,000
Sir James Knott Trust	–	30,000	–	30,000
Local Access Programme	<u>–</u>	<u>10,000</u>	<u>(11,868)</u>	<u>(1,868)</u>
	<u>12,078</u>	<u>318,239</u>	<u>(144,230)</u>	<u>186,087</u>

The deferrals included in creditors relate to those grants, donations and income specified as relating to a specific period and represent those parts of the grants, donations or income which relate to periods subsequent to the accounting year end and are treated as grants or income in advance, or alternatively where there are conditions which must be fulfilled prior to entitlement or use of the grant or donation by the charity.

VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2020

15 Movement in funds

For the year ended 31 March 2020	At 1 April 2019 £	Net movement in funds £	Transfers between funds £	At 31 March 2020 £
<b>Unrestricted funds</b>				
General funds	154,988	3,397	(61,555)	96,830
Yes We Can Leadership	—	50	—	50
	154,988	3,447	(61,555)	96,880
<i>Designated funds:</i>				
Project development & innovation fund	16,443	(21,681)	25,238	20,000
Redundancy fund	10,577	—	7,067	17,644
Repair and replacement fund	5,000	(4,698)	2,198	2,500
Maternity, sickness & jury service reserve	35,897	(1,068)	8,424	43,253
Organisational development fund	36,990	—	(14,990)	22,000
COVID-19 working arrangements reconfiguration fund	—	—	5,000	5,000
Office reconfiguration fund	—	—	10,000	10,000
ERDF Innovation Clusters Match fund	—	—	18,618	18,618
	259,895	(24,000)	—	235,895
<b>Restricted funds</b>				
Connect Fund North East – Investing for Social Impact	15,532	(15,532)	—	—
	15,532	(15,532)	—	—
<b>TOTAL FUNDS</b>	275,427	(39,532)	—	235,895

**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2020**

**15 Movement in funds** *(continued)*

**For the year ended 31 March 2020** *(continued)*

Net movement in funds, included in the above are as follows:

	<b>Incoming resources</b>	<b>Resources Expended</b>	<b>Movement in funds</b>
	£	£	£
<b>Designated funds</b>			
Project Development & Innovation Fund	–	(21,681)	(21,681)
Maternity, sickness and Jury Fund	–	(1,068)	(1,068)
Repair and replacement	–	<u>(4,698)</u>	<u>(4,698)</u>
	–	<u>(27,447)</u>	<u>(27,447)</u>
<b>Unrestricted funds</b>			
General Fund	92,779	(89,382)	3,397
Millfield House Foundation	42,000	(42,000)	–
Hadrian Trust	1,000	(1,000)	–
Clinks	47,509	(47,509)	–
Northern Powergrid – Community Engagement	14,880	(14,880)	–
Yes We Can Leadership Training	7,000	(6,950)	50
The National Lottery Community Fund	10,000	(10,000)	–
Northern Powergrid – Event Co-ordination	9,933	(9,933)	–
Development & Co-ordination Support MEA Trust	12,252	(12,252)	–
North of England Commissioning Support – VCSE engagement in health	<u>27,800</u>	<u>(27,800)</u>	–
	<u>265,153</u>	<u>(261,706)</u>	<u>3,447</u>
<b>Restricted funds</b>			
Funding Information North East	12,000	(12,000)	–
ERDF: Catalysing Innovation in NE Clusters	14,081	(14,081)	–
Connect Fund North East – Investing for Social Impact	8,000	(23,532)	(15,532)
Local Access Programme – Access Foundation	11,868	(11,868)	–
VCSE Sustainability Partnership Project (Development Phase) – National Lottery Community Fund	11,655	(11,655)	–
Safeguarding Partnership – funded jointly by Dept, for Digital Culture Media and Sport and the National Lottery Community Fund	31,505	(31,505)	–
North East Climate Coalition – North of England Commissioning Support	10,000	(10,000)	–
North East Climate Coalition – Community Foundation Tyne & Wear and Northumberland	<u>10,000</u>	<u>(10,000)</u>	–
	<u>109,109</u>	<u>(124,641)</u>	<u>(15,532)</u>
<b>TOTAL FUNDS</b>	<u><b>374,262</b></u>	<u><b>(413,794)</b></u>	<u><b>(39,532)</b></u>

**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2020**

**15 Movement in funds** *(continued)*

**For the year ended 31 March 2019**

	<i>At 1 April 2018 £</i>	<b>Net movement in funds £</b>	<b>Transfers between funds £</b>	<b>At 31 March 2019 £</b>
<b>Unrestricted funds</b>				
General funds	182,412	(39,863)	12,439	154,988
<i>Designated funds:</i>				
Project development & innovation fund	20,000	(1,000)	(2,557)	16,443
Redundancy fund	8,522		2,055	10,577
Repair and replacement fund	5,000	–	–	5,000
Maternity, sickness & jury service reserve	33,537	(746)	3,106	35,897
Organisational development fund	40,000	(3,010)	–	36,990
Funding Information North East fund	<u>17,600</u>	<u>–</u>	<u>(17,600)</u>	<u>–</u>
	307,071	(44,619)	(2,557)	259,895
<b>Restricted funds</b>				
Connect Fund North East – Investing for Social Impact	–	15,532	–	15,532
ERDF: Catalysing Innovation in North East Clusters	<u>–</u>	<u>(2,557)</u>	<u>2,557</u>	<u>–</u>
	–	12,975	2,557	15,532
	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>
<b>TOTAL FUNDS</b>	<u>307,071</u>	<u>(31,644)</u>	<u>–</u>	<u>275,427</u>



**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2020**

**15 Movement in funds** *(continued)*

**For the year ended 31 March 2019** *(continued)*

**Net movement in funds, included in the above are as follows:**

	<b>Incoming resources</b>	<b>Resources Expended</b>	<b>Movement in funds</b>
	£	£	£
<b>Designated funds</b>			
Organisational Development Fund	–	(3,010)	(3,010)
Project Development & Innovation Fund	–	(1,000)	(1,000)
Maternity, sickness and Jury Fund	–	(746)	(746)
	–	(4,756)	(4,756)
	–	–	–
	<b>Incoming resources</b>	<b>Resources Expended</b>	<b>Movement in funds</b>
	£	£	£
<b>Unrestricted funds</b>			
General Fund	82,479	(120,857)	(38,378)
County Durham Community Foundation	2,160	(2,160)	–
Millfield House Foundation	40,000	(40,000)	–
Clinks	46,742	(46,742)	–
Northern Powergrid – Community Engagement	14,880	(14,880)	–
Building Better Governance	–	(485)	(485)
Yes We Can Leadership Training	7,200	(7,200)	–
Homeless Link Be The Change Network	6,000	(6,000)	–
The National Lottery Community Fund	7,450	(7,450)	–
North of England Commissioning Support – VCSE engagement in health	17,486	(17,486)	–
Community Foundation Tyne & Wear and Northumberland	1,000	(1,000)	–
Charity Digital NE	–	(1,000)	(1,000)
	225,397	(265,260)	(39,863)
	–	–	–
<b>Restricted funds</b>			
Funding Information North East	12,750	(12,750)	–
ERDF: Catalysing Innovation in NE Clusters	2,165	(4,722)	(2,557)
Connect Fund North East – Investing for Social Impact	45,166	(29,634)	15,532
Ballinger Charitable Trust	1,000	(1,000)	–
	61,081	(48,106)	12,975
	–	–	–
<b>TOTAL FUNDS</b>	<b>286,478</b>	<b>(318,122)</b>	<b>(31,644)</b>

**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2020**

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**15 Movement in funds** *(continued)*

**Designated Funds:**

The designated funds were established in 2007/08 for the initial support or extensions to special projects and are reviewed annually by the trustees. They are as follows:

**Organisational Development Fund**

To meet the development costs of new income generation/sustainability activities for VONNE including significant staff development investments. Any activities funded would include a proportion of related staff costs.

**Project Development & Innovation Fund**

A project development fund to support new initiatives and unforeseen project activities to strengthen the VCSE sector in the North East or the sustainability of VONNE.

**Maternity, Sickness and Jury Service Fund**

To cover additional staffing costs due to extended periods of absence.

**ERDF Innovation Clusters Match Fund**

Funding committed to match ERDF funding for the Innovation Clusters project.

**Repairs & Renewals Fund**

To meet the on-going costs of repairing and replacing capital equipment, and in particular IT equipment.

**Redundancy Fund**

To cover the costs of redundancy for individuals whose posts may be lost during restructure or as a result of funding streams coming to an end.

**COVID-19 Working Arrangements Reconfiguration Fund**

To meet the specific costs of COVID-19 reconfigurations to the VONNE office.

**Office Reconfiguration Fund**

To meet the costs of longer-term reconfigurations to the VONNE office to enable a more flexible working space.

**Unrestricted Funds:**

They are as follows:

**Millfield House Foundation**

Strategic partner core funding to support the work of VONNE.

**Clinks**

Engagement of the VCSE in criminal justice policy and practice.

**County Durham Community Foundation**

Unrestricted core grant to support the work of VONNE through Membership+ bursaries.

**Development & Coordination Support MEA Trust**

To deliver development and coordination support activities with tenants of MEA House and the wider VCSE sector.

**Hadrian Trust**

Unrestricted core grant to support the work of VONNE through Membership+ bursaries.

## VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST

### NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2020

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#### 15 Movement in funds *(continued)*

##### **Northern Powergrid Community Engagement**

Partnership work with Northern Powergrid to support their engagement with the VCSE sector and services for vulnerable customers.

##### **Northern Powergrid – Event Coordination**

A contract to coordinate and deliver a Customer Vulnerability Conference for Northern Powergrid.

##### **North East Funders Network**

To deliver North East Funders Network activities.

##### **North of England Commissioning Support – VCSE engagement in health**

To deliver engagement with the VCSE sector in health structures and workstreams.

##### **Yes We Can Leadership Training**

Leadership & management training for VCSE sector.

##### **Charity Digital North East**

Project development costs relating to supporting the VCSE sector with digital technology.

##### **Building Better Governance**

To deliver the Building Better Governance training programme.

##### **Homeless Link Be The Change Network**

To support the Be The Change Network across North East & Cumbria.

##### **Restricted Funds:**

They are as follows:

##### **Connect Fund North East – Investing for Social Impact**

To engage VCSE organisations and stakeholders in the North East to develop a strategy for social investment.

##### **ERDF: Catalysing Innovation in NE Clusters**

ERDF/ Innovate UK funded project to support the VCSE sector with innovation.

##### **FINE**

Funding Information North East.

##### **Local Access Programme – Redcar & Cleveland and Hartlepool**

Development funding from Access Foundation for the Local Access enterprise development & blended finance programme in Redcar & Cleveland and Hartlepool.

##### **North East Climate Coalition**

Work to convene a cross-sectoral coalition across the North East to address the climate emergency, ecological breakdown and the just transition to a low carbon future.

##### **Safeguarding Partnerships**

Funded jointly by Department for Digital Culture Media and Sport and The National Lottery Community Fund to disseminate NCVO safeguarding resources locally and deliver regular training sessions and create new or build on existing networks.

**VOLUNTARY ORGANISATIONS' NETWORK NORTH EAST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 MARCH 2020**

**16 Analysis of net assets between funds**

**For the year ended 31 March 2020**

	<b>Unrestricted Funds £</b>	<b>Designated Funds £</b>	<b>Restricted Funds £</b>	<b>31 March 2020 £</b>
Fixed assets	14,015	–	–	14,015
Net current assets/(liabilities)	<u>82,865</u>	<u>139,015</u>	<u>–</u>	<u>221,880</u>
	<u>96,880</u>	<u>139,015</u>	<u>–</u>	<u>235,895</u>

**For the year ended 31 March 2019**

	<b>Unrestricted Funds £</b>	<b>Designated Funds £</b>	<b>Restricted Funds £</b>	<b>31 March 2019 £</b>
Fixed assets	486	–	–	486
Net current assets/(liabilities)	<u>154,502</u>	<u>104,907</u>	<u>15,532</u>	<u>274,941</u>
	<u>154,988</u>	<u>104,907</u>	<u>15,532</u>	<u>275,427</u>

**17 Commitments under operating leases**

The total future minimum lease payments under non-cancellable operating leases are as follows:

	<b>2020 £</b>	<b>2019 £</b>
Within 1 year	1,245	4,980
Within 2 – 5 years	<u>–</u>	<u>1,245</u>

**18 Related Party Disclosures**

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 102.