

Annual Report and Financial Statements 2016-17

The Community Volunteering Charity

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April

intu Green Gym launch starts the year for TCV

TCV has partnered with intu Properties for ten years with staff taking part in volunteering days and the company supporting 10 Green Gyms. The new Green Gym at Saltwells Nature Reserve in Dudley is the latest to benefit from intu's support. Working alongside TCV volunteers, 26 staff from the intu Merry Hill centre helped to clear the stream and pathways, removing a staggering 5 skips of rubbish from the site.



September

Promoting community relations for over 20 years

The team at the Laurel Glen project in Lisburn, Northern Ireland, have worked in the area for over 20 years. The Wardens, funded by the Department of Social Development, promote good community relations and discourage anti-social behaviour through a programme of woodland management, fly tipping removal, tree-planting, and path and fence construction.



December

The Dead Good Dead Wood survey gets underway in Scotland

The Dead Good Dead Wood survey went live in December with Forestry Commission Scotland. The survey uses a Citizen Science approach, where participants walk a 100m section of woodland, noting down pieces of large deadwood and their associated wildlife along the way. The survey improves understanding of deadwood habitats and helps community groups to put their newly-acquired knowledge to use in the management of local woodlands.

May

TCV Skelton Grange and M&S get together to #SparkSomethingGood!

TCV's Skelton Grange invited over 30 staff and customers from M&S to help improve the site we manage on behalf of National Grid in Leeds.

It was all part of M&S's Spark Something Good campaign, which is the retailer's way of creating change in the communities that their staff and customers live and work in. Fantastic improvements were made to our sensory, forest and vegetable gardens.



June

Winners at BBC Gardener's World Live

TCV was the big winner at BBC Gardeners' World Live as we took home the 'Best Show Garden' and 'Gold' award for our show garden. Designed and built by local communities under the direction of Owen Morgan of Mosaic Design, the winning garden was a celebration of community gardening and our Birmingham-based Health for Life in the community programme, funded by the Mondelēz International Foundation.



July

More than 10,000 heritage trees recorded as project comes to an end

After five terrific years, TCV's Kent Heritage Trees project came to its conclusion and planted its last heritage tree. The project, funded by the Heritage Lottery Fund, demonstrated the important contribution trees make to both our environment and the cultural life of our communities. We planted 24 new trees and involved the community in recording old, rare and locally-important trees across Kent.

August

TCV powers the National Citizen Service (NCS) in Wiltshire

NCS is a programme of activities for 16-17 year olds that includes attending an adrenaline-fuelled residential, learning team work and leadership skills, and creating a social action project to make a mark on their local community. In August our Wiltshire group graduated with their much-coveted certificates, enhanced CVs and plenty of newly-acquired skills.



October

We celebrate a new programme and a 90th birthday

October saw the launch of our newest and largest programme to be delivered in partnership with the Land Trust. South Yorkshire Community Woodlands covers 465 hectares of green spaces, which TCV will manage for the next 10 years. The former

coal-mining sites consist of a variety of habitats including wetland, woodland, heathland, meadow and parkland.

TCV Vice President, Sir David Attenborough has supported us for over 30 years, so when his 90th birthday came along earlier in the year it was only fitting that we helped him to commemorate it. Volunteers, staff and supporters of TCV joined Sir David in Waterlow Park in North London to plant an elm tree in his honour. Former TCV Chair, Rita Clifton CBE, presented Sir David with an oak burr bowl made from reclaimed wood.



November

Greenwich Peninsula Ecology Park causes a buzz

The site we manage on behalf of the Land Trust in Greenwich saw a particular species of bee, more commonly found in continental Europe, using nest boxes for the first time in Britain. The presence of *Hoplitis adunca*, which does not pose a threat to other British pollinators, is a great example of the importance of urban green spaces for pollinators.

January

Community Green Gym wins Green Flag Award

TCV was proud to see that Penge Green Gym community group received a Special Award for Innovation from the Green Flag Award scheme. Their site, Winsford Gardens, was

just one of the 15 inspirational green spaces in the UK to receive the award. They were cited by Green Flag Award Scheme manager Paul Todd as a perfect example of how green spaces play a vital role within their local communities.



February

TCV searches for Natural Talent

In February, our team in Scotland started our very own talent search for nature enthusiasts across the UK. Each year, six Natural Talent traineeships are made available for individuals to develop and hone their skills and knowledge of practical conservation, botanical recording and habitat surveying relating to some of the UK's lesser known species. Find out more on Page 6.

March

400,000 trees planted with OVO Energy

Since 2015, TCV has partnered with OVO Energy to plant native trees throughout the country, supported by their Greener Energy plan customers. By doing so, thousands of volunteers, community groups and OVO Energy staff helped to reduce CO₂, improve green spaces and create wildlife habitats. 2016-17 saw the 400,000th tree planted through the *1 Dig Trees* programme.



Introductions

From the Chair of the Board



This has been a defining year for TCV. Darren York was appointed as Managing Director in February 2016 and subsequently became Chief Executive in April 2017 and under his guidance a new Leadership Team was established. Despite the continued challenging environment that virtually all charities are facing, under this new leadership, the group has performed brilliantly

and was able to slightly increase unrestricted reserves. This is due to the hard work and dedication of all our employees and volunteers – who make a real difference day in and day out in the communities that we work with throughout the UK.

We have started to see the benefits of a leaner, more responsive organisation, in terms of some significant contract wins/extensions, which are described by Darren and elsewhere in this report, allied to a clearer definition of the services that we offer and the outcomes that they deliver. This work is continuing and a Strategy Refresh is being undertaken during 2017 to enable TCV to maximise the opportunities available for it to deliver sustainable growth.

During the year, after a review of the materially increased risks and working capital requirement in our subsidiary, Employment & Training Services (E&TS), we decided to close this part of our business. As a result, some contracts are being wound down in a managed way while others are being transferred, where appropriate, to the Charity. It is expected that this will be delivered during the course of this financial year, with no adverse impact on the cash resources of the Charity. The dedication and professionalism of our colleagues in E&TS have ensured that this process has been managed as smoothly as possible, despite its direct impact on their roles.

TCV is a unique and truly amazing organisation. I am immensely proud to have been a Trustee for almost 6 years and during that time I have been privileged to see the real difference that we make to people's lives every day. We are not an organisation that is focused on bricks and mortar – but on much more important things – confidence, community and caring, to enable people to belong and to prosper. I hope that you will see this brought to life through the case studies and feedback from just a small number of the people and communities that we have worked with during the year.

This work would not be possible without the continued input from our supporters and funders. I would like to take this opportunity to thank them for their help in making what we do possible.

As my two three-year terms are almost at an end, this will be my first and last Annual Report. I had worked closely with Rita Clifton CBE as Deputy Chair and the changes that were effected under her leadership have been transformative. On behalf of the Board and the whole organisation I would like to thank Rita for her inspirational leadership and guidance over the previous 6 years. Changed circumstances during the appointment of the new Chair have given me the privilege of ending my career with TCV in the Chair role. This will include managing a smooth transition to the next Chair before the end of December 2017. I would like to thank all my Board colleagues for their support during this period.

I will really miss being part of TCV, but it has given me what will be a lifelong passion for what we do – so TCV will not leave me.

Mike Kirk
Chairman

From the Chief Executive



Following a challenging 2015-16, culminating in significant reductions to our Central Services teams, we faced another difficult year ahead as we began 2016-17. The primary goals for TCV were to sustain the scale of our operational delivery (the day-to-day activities we deliver for the benefit of communities and green spaces across the UK) and maintain our unrestricted reserves (ending the losses incurred in recent

years) with just half of the Central Services resource previously at our disposal.

It is with a huge amount of pride therefore that everyone in TCV – from the Charity and E&TS – can look back on 2016-17 having achieved both of these goals. In extremely challenging circumstances their effort has been truly remarkable. As has the commitment and dedication of our volunteers – approximately 120,000 people, including around 11,000 registered volunteers, helped us to create, care for and improve over 1,500 green spaces across the UK.

With a very heavy heart, we took the responsible decision to close our E&TS business and move some of its programmes into the Charity. For many years, in a very different political and economic climate, E&TS generated a significant financial profit which subsidised our charitable activities. In recent years however, even though our E&TS teams have undertaken a lot of fantastic, effective work, it has proved very difficult to sustain a long-term, viable E&TS business in a changing market with such challenging working capital requirements and tight margins. As we move forward therefore, we will focus our resources on our charitable activities to ensure their financial sustainability, and we can take encouragement from the fact that the Charity performed ahead of budget in 2016-17 and TCV the Group was able to make a small contribution back in to unrestricted reserves.

Throughout this report you'll find many examples of the partners who provide the all important funding to support TCV's valuable work and we're grateful to each and every one of them. If I'm to pick one highlight, in the limited space available here, it would be securing a ten-year contract with long-standing partner the Land Trust for the *South Yorkshire Community Woodlands* project – an exciting new programme to engage local communities in the management of 465 hectares of green space across seven former coalfield sites.

The TCV Leadership Team and I are grateful for the continuing support of: our Patron, HRH The Duke of Edinburgh KG, KT; our President, Sir Jonathan Porritt; and each of our Vice Presidents, Ambassadors and Members. A challenging year was made so much easier by our Board of Trustees and Committee Members, all of whom showed great belief in a much-changed Leadership Team and provided valuable support and welcome challenge throughout. I'm enormously grateful to former Chair Rita Clifton CBE, who was a source of inspiration throughout her 6 year term, and to our interim Chair Mike Kirk whose support and expertise continues to prove invaluable.

Having begun our Strategy Refresh in 2016 we look forward to seeing its completion in late 2017. This will provide a more up-to-date framework within which to focus our resources over a three year period - as we build a sustainable Charity capable of supporting communities and green spaces for many more years to come.

Darren York
Chief Executive

TCV's key services and the multiple outcomes we deliver

We're TCV, the community volunteering charity. We've been providing volunteering opportunities and connecting people to green spaces for almost 60 years.

We have a Vision of Healthier, Happier Communities for Everyone, and we aim to achieve this by working together with people, communities and partners to deliver practical actions that have a lasting impact on people's health, prospects and outdoor places.

The activities we deliver are grouped broadly into four key services, which create four distinct outcomes:

Community Builder delivers community resilience outcomes.

Spaces to Grow delivers environmental outcomes.

Green Gym delivers health and wellbeing outcomes.

Natural Talent delivers employability and skills outcomes.

Each of these work successfully and are impactful on their own, but their impact is greatest when they are combined. We begin this section with examples of TCV projects that combine these key services, before looking at each outcome in more detail.



SNH funding enables TCV to provide a range of activities for people to enjoy and learn about the outdoors through volunteering. This includes the *Rewilding* project, which was also supported by Heritage Lottery Fund (HLF).

Community-led activities such as planting native trees or wildflower species encourage local people's understanding and connection to local wildlife, heritage and nature, plus revives native habitats. A special programme for children, *Rewild the Child*, provided nature play sessions during the holidays.

Hospital green spaces

TCV has been working with RBS and the Queen Elizabeth Hospital (QE) in Birmingham for a number of years to establish a sensory garden, create a memory and reminiscence area and develop a food growing project.

These varied green spaces provide opportunities for physical activity or tranquil reflection for patients, staff and visitors. RBS teams have supported this project from inception, putting in the hard work of digging, transporting soil and creating raised beds to prepare the site.

Reviving native habitats

Scottish Natural Heritage (SNH) provides TCV with vital funding to ensure Scotland's green spaces are cared for, alongside engaging the community in practical conservation activities.



"TCV has offered a variety of outdoor project work that enables our young people to get off the ward and into the fresh air. One young man receiving treatment for cancer who also has an autism spectrum disorder joined in and continued to volunteer after his treatment had finished."

Richard Hitchens - Teenage Cancer Trust Youth Support Coordinator



Community Builder – community resilience outcomes

TCV's Community Builder programme encourages people to take an active role in the creation and development of local outdoor spaces that reflect their community's unique needs.



Precious green spaces might be used as somewhere to grow food, as an outdoor classroom, as a haven for wildlife or simply somewhere to meet friends. TCV supports community groups to become more active, to self-organise, to increase their skills and knowledge and connect to the wider community. This creates networks of groups that come together to make communities more resilient.

community spaces that are accessed by thousands of people every year.

"It was amazing the amount of work we got through and what a difference it made. It was a brilliant experience and great for team building. Everyone without exception enjoyed it."

RBS Volunteer

Citizen Science

In 2016-17, our Citizen Science project, *Scotland Counts*, provided communities with the practical skills to understand their local environment through surveying nature and identifying different species. Since its inception, this project has been supported by SNH, the Scottish Environment Protection Agency, the Scottish Government and Forestry Commission Scotland - a great example of what a multi-partner supported project can achieve.

RBS and TCV – from strength to strength

2016-17 was a record year for our partnership with RBS and NatWest through the *Team Challenge* programme, with over 4,300 of the bank's employees volunteering on 39 different TCV projects.

Altogether the *Team Challenge* participants generated over 30,000 hours of community volunteering: laying new paths, creating ponds, managing woodland and helping to transform

group produce a fantastic exhibition, they brought different communities together to learn about theirs.

The LPP in South Wigston and Eyres Monsell empowers a group of local people to allocate funding to different projects. This has included creating STEP OUT Youth Group and developing a community newsletter. Local people recognise the dedication of the group and have commented that the area has 'come alive' since the programme started.

Swadlincote Woods, The National Forest

Swadlincote Woods is the home to a new community of TCV volunteers who are learning practical woodland management and are a few steps away from becoming self-reliant. Our wood-fuel harvesting events have been especially popular, regularly attracting large groups of volunteers at once. The partnership is delivered with the National Forest Company and South Derbyshire District Council.



Mercer Woods, West Lindsey

A local community group and TCV volunteers from Lincolnshire and Humberside joined forces with the public and private sectors at Mercer Woods in Gainsborough to create a community orchard.

Simons Group, West Lindsey District Council and Mercer Wood Community Group provided valuable support as 500m of footpath, steps and benches were installed to ensure that the site is accessible to the local community.

Big Lottery Fund helps TCV to improve coastal communities

TCV received funding through the Big Lottery Fund's (BLF) Coastal Communities Fund to improve access along the 60 mile Solent Way footpath and provide training and skills to increase economic growth and jobs in the area. The project has run successfully for two years now with a number of Wardens protecting the area and encouraging local people to discover and enjoy it.

Volunteers from the community took part in litter picking and practical activities, which included installing over 300m of new fence, resurfacing over 100m of footpath and replacing a rotten boardwalk.

"My time working as a warden on the Solent Way Project was as enjoyable as it was invaluable for my career development. I joined the project having struggled to find work in the conservation sector

and left having gained a number of qualifications as well as essential experience in planning practical projects and running volunteer tasks."

Christopher Lickley - Solent Way Warden (July 2015 to September 2016)

Conserving habitats and heritage through HLF

Discover, Explore and Conserve Our Natural Heritage is an exciting project at Sale Water Park in Manchester, which was funded by HLF. The project focuses on the natural heritage at the park and provides practical skills to local young people with disabilities.

The park has a rich heritage and is an important habitat for wildlife, including the globally threatened willow tit. Volunteers learn conservation skills such as traditional hedge-laying and meadow management, which improves the park for wildlife and for the local community to enjoy.

Developing the next environmentalists

TCV's *Natural Talent* programme has run for 10 years to fill the substantial gap in ecological skills across the UK. 95% of *Natural Talent* trainees are now active in the conservation sector, using skills and expertise gained with TCV.

The 2016 programme was funded by the Esmée Fairbairn Foundation and six trainees worked on topics such as non-marine molluscs and entomology.

We also worked with 19 *Natural Networks* trainees, a project that bridged the gap between natural heritage priorities and community engagement delivery models. The trainees engaged with 13,246 people - including 4,308 schoolchildren, 217 BAME volunteers, 783 volunteers who were over 50 and 409 volunteers with a disability.

Spaces to Grow - environmental outcomes

Environment lies at the heart of TCV. While we have developed and delivered multiple other outcomes – community resilience, health and wellbeing and employability and skills – through the decades, the management of green spaces for environmental outcomes has been a constant since we were founded in 1959. TCV values the importance of the natural environment and the role it plays in helping nature and people to grow.

Growing / Dig Trees

Following the success of our partnership with OVO Energy in 2015-16, our 2016-17 / Dig Trees programme was even bigger and better with an incredible 250,000 trees distributed and planted across the UK in just six months.

Trees were planted in over 700 UK communities by 11,000 volunteers of all ages. Together, we generated 70,000 hours of community volunteering.

"We were delighted with the response to the programme and it's been fantastic to know that so many have benefited from improved greener spaces right here in the UK."

Adam Rostom - Chief Marketing Officer at OVO Energy

The Land Trust – community land management

TCV works in partnership with The Land Trust to manage some of their key sites. Together we have created a vibrant array of landscapes and habitats for local communities to enjoy including wetland, woodland, heathland, meadows and parkland.



Seven such green spaces comprise our South Yorkshire Community Woodlands programme, which began in October 2016. Created over 20 years through the reclamation and landscaping of former coal mining sites, they have been transformed to create a vibrant natural environment, which supports a wide range of wildlife.

Our vision with The Land Trust is to make the most of these green spaces by engaging an ever greater number of individuals and organisations in their care and management.

Protecting green spaces

With support from a local developer, Sellar, alongside Southwark Council and local

community groups, we renewed the paths of the Stave Hill Ecology Park in London. Now the paths are more accessible and will protect the nearby meadow from trampling feet. The work was completed by volunteers from the TCV Biodiversity Action Teams, RBS and Natwest.

Also in London, a former derelict dockyard now features an urban nature reserve, Lavender Pond. With materials funded by Southwark Council, volunteers took on an ambitious project to install a circular boardwalk so that people of all abilities can access the dipping pond. Thanks to our volunteers' hard work, this site is now enjoyed by many more local families and schools.

with more than 3 million travellers passing by per year.

Partners in Scotland's largest urban nature park

We are part of an exciting partnership that secured £4.5million funding from the Heritage Lottery Fund to develop Seven Lochs Wetland Park. We supported the local community to set up the Seven Lochs Volunteers group who make weekly improvements to the many green spaces in the Park. The site, which lies between Glasgow and Coatbridge, is destined to become Scotland's largest urban nature park and comprises almost 20 sq km of lochs, parks, nature reserves and woodland.

Green hotspots for Belfast

Wildflowers and native plants were introduced to sites around Belfast Harbour for our corporate partners' employees and visitors to enjoy through our Harbour in Bloom project. The 15 new green hotspots will attract wildlife



as well as providing vibrant pockets of colour. The most visible green hotspot is at the entrance of Belfast City Airport,

Green Gym™ - health & wellbeing outcomes

TCV created and runs Green Gym, with over 140 now in place across the UK in addition to licence agreements in Australia, Germany and the Republic of Korea.

Green Gym sessions consist of fun, free, outdoor practical activities such as planting trees, sowing meadows and growing food. The emphasis is very much on health and wellness. Activities range from light to vigorous – as determined suitable for each volunteer – and sessions begin and end with warm up and cool down exercises.

Recognition and evidence

TCV holds a Health and Wellbeing Award from the Royal Society of Public Health, which recognises that Green Gym demonstrates excellence and innovation in improving health and wellbeing.

Our evidence to show that volunteering in nature can positively affect people's mental and physical health continues to grow. 2016 saw TCV achieve Level 2 Evidence Standards for Green Gym, as recognised by Nesta and The Social Innovation Partnership. This means we can demonstrate that "rigorous evaluation techniques have been used to show



a positive change in one or more key outcomes among Green Gym beneficiaries".

As the evidence for Green Gym grows, TCV is developing partnerships in the health sector to create more innovative programmes. For example, we are working with Newham University Hospital and QE Hospital Birmingham to develop Green Gym programmes for patients with chronic obstructive pulmonary disease, musculoskeletal issues and obesity-related ill health.

"Following his stroke, my husband refused to leave the house. He lost interest in spending time with the family and stopped all the activities he once loved. I persuaded him to come along to a Green Gym taster session. Once we started the activity there was no looking back! He became alive again. He has been a regular volunteer at the Green Gym ever since and even pops in to the centre between sessions for a chat and to water the garden."

Participant's wife - South Eastern Green Gym Project, Belfast

Working in partnership with Mind

In 2016, TCV and Mind launched our innovative programme, Pro-Active Minds, using the Green Gym model with funding from the Department of Health's Health and Social Care Volunteering Fund. The programme promotes individual resilience and wellbeing for people who are at risk of developing a mental health condition or who have otherwise presented with emotional distress. It was co-designed with NHS and Public Health commissioners and uses a volunteer-led approach in an outdoor setting. Participants have reported that they feel more confident in social groups and therefore experience reduced loneliness.



Natural Talent – employability and skills outcomes

Through Natural Talent we provide people of all ages and backgrounds the opportunity to realise their potential. Our tailored approach supports the development of a wide range of skills from core numeracy and literacy through to hands-on conservation experience.

Employment & Training Services

TCV Employment and Training Services' (E&TS) range of programmes supports people on their journey towards sustainable employment and helps them to achieve new skills and qualifications.

In 2016-17, E&TS delivered the UK Government initiatives Study Programme in the North East of England and Work Programme in the North East, North West and South West.

Through the Study Programme, our groups of 16-19 year olds were given a boost to their education and employment prospects. Learners on the Work Programme received a personalised action plan and worked with our expert teams to help overcome any barriers to employment, such as disability, mental illness or lack of qualifications.

Over the year, we worked with individuals to:

- Develop skills in core numeracy and literacy
- Provide guidance during their job search
- Help navigate personal barriers to employment
- Give tailored support once successfully in a job.

We are proud to have helped over 1000 people in 2016-17 into and towards employment by developing their skills, confidence and CVs.

Building confidence in jobseekers

Our teams delivered training and skills for jobseekers including communication, problem solving, team work, acting professionally and confidence-building. The aim was to increase the enthusiasm of customers when searching for jobs and returning to work or exploring further education options.

We made sure that courses were interesting for our customers. So as well as learning skills for the employability market, we introduced activities that

encouraged customers to think of innovative solutions, which could then be applied to a job role. For instance, the marshmallow and spaghetti tower building challenge requires communication, a trip to the Sealife Centre builds confidence in a group setting outside of the classroom, and deciding items to buy for a day trip involves maths and negotiating with a team.

Youth-focused programmes

TCV youth volunteering projects include NCS in Wiltshire and *Clip 2 your future* in Cumbria. These programmes help individuals to gain valuable life skills, make new friends and support their local communities.

NCS

TCV supported 213 16-17 year olds in the summer of 2016 through NCS, which is a UK Government voluntary personal and social development programme. The group raised over £7,000 for a wide range of charities and made their mark in communities by delivering social action projects. These included building sensory gardens for Special Educational Needs Schools, raising awareness of mental health and developing a website promoting volunteering opportunities for the under-16s.

The NCS Graduate Evening gave those taking part a chance to share their favourite stories and experiences from the programme.



"NCS has allowed me to be more impulsive, confident and independent. Other people should do NCS because it can be an easy way to meet new people who feel the same way as you do. And it's a holiday filled with fun activities and gives opportunities valuable for later in life. You'll do things you've never done before."

Kya Ritchie - NCS Graduate 2016 who will work for TCV in summer 2017 as an NCS Residential Leader.

Clip 2 your future

Clip 2 your future is a youth volunteering project funded by the Big Lottery Fund. 16-24 year olds volunteer with charities and take part in fun activities such as rock climbing and trampolining to push themselves out of their comfort zones and build confidence.

TCV helps the volunteers find placements with companies and charities, puts on workshops and provides one-to-one mentoring. 360 young people have been involved in the project over the past two years.



Trustees' and Directors' report incorporating the Strategic Report

Our objectives and activities

The Trustees confirm that they have referred to the guidance contained in the Charity Commission for England and Wales' general guidance for the advancement of environmental protection or improvement for public benefit when reviewing the Charity's aims and objectives and in planning future activities and setting the grant making policy for the year. The Charity's objectives continue to be:

- Conservation of the environment for the benefit of the public including:
 - the conservation and maintenance of the character and amenity of rural, urban and inner city areas
 - the maintenance and management of nature reserves and other sites of biological, scientific or environmental importance
 - educating the public in principles of conservation through volunteering, community support and social inclusion.
- To advance the education of the public through the provision of training, in particular:
 - in practical conservation skills
 - in skills to improve employment prospects
- To develop the capacity and skills, primarily through volunteering opportunities, of the public at large and those who by reason of youth, age, infirmity or disability, poverty or economic and social circumstances, have need of such facilities with the object of improving their conditions of life.

Strategic report: achievements and performance

Community Builder – community resilience outcomes

TCV's Community Builder programme encourages people to take an active role in the creation and development of local outdoor spaces that reflect their community's unique needs. Precious green spaces might be used as somewhere to grow food, as an outdoor classroom, as a haven for wildlife or simply somewhere to meet friends. TCV supports community groups to become more active, to self-organise, to increase their skills and knowledge and connect to the wider community. This creates networks of groups that come together to make communities more resilient.

During 2016-17 we have built resilience and engagement through programmes large and small, including our continued work on the *Local People Programme* in communities across the UK, funded by PHT.

Spaces to Grow - environmental outcomes

Environment lies at the heart of TCV. While we have developed and delivered multiple other outcomes – community resilience, health and wellbeing and employability and skills – through the decades, the management of green spaces for environmental outcomes has been a constant since we were founded in 1959. TCV values the importance of the natural environment and the role it plays in helping nature and people to grow. Highlights for the year included an expansion to our successful *I Dig Trees* programme with OVO Energy. Working with 670 communities, we planted 250,000 trees across 700 locations.

Green Gym - health outcomes

TCV created and runs Green Gym, with over 140 now in place across the UK in addition to licence agreements in Australia, Germany and

the Republic of Korea. Green Gym has been recognised by Nesta and The Social Innovation Partnership as having Level 2 Evidence Standards. As the evidence for Green Gym grows, we are developing partnerships in the health sector to develop increasingly innovative programmes.

Natural Talent – employability and skills outcomes

Through Natural Talent we provide people of all ages and backgrounds the opportunity to realise their potential. Our tailored approach supports the development of a wide range of skills from core numeracy and literacy through to hands-on conservation experience. Through our inspiring youth volunteering projects such as the NCS in Wiltshire and *Clip 2 your future* in Cumbria, TCV helps individuals to gain career-enhancing skills and experience, while making new friends and supporting local communities.

Activities in Scotland

Our Scottish operations had another successful year. Highlights included renewal of our SNH funding, supporting a wide range of activities such as the *Rewilding* project for people to learn about the outdoors through volunteering. The Citizen Science approach continues to be a key component of our activities in Scotland, such as the Forestry Commission Scotland-funded *Dead Good Dead Wood* survey. We are also excited to be a partner in the £4.5m development of Seven Lochs Wetland Park.

Strategic Report: financial review and key performance indicators

TCV reported stable unrestricted reserves in 2017 and remains compliant with its reserves policy. Restricted reserves decreased as anticipated due to programmes running in 2017 that received funding upfront in the previous year.

Income

	2017 £'000	2016 £'000
Charitable activities:		
Health, conservation and community	7,735	7,295
Training and employment	2,593	4,665
Other trading activities	116	340
Donations and legacies	96	155
Investments	105	123
Other	72	119
Total income	10,717	12,697

Group income for the year reduced by £2.0m to £10.7m. This was largely due to planned reductions in training and employment-related revenues and trading activities, partially offset by growth in our core health, conservation and community programmes.

The reduction in training and employment income reflects the impact of us choosing not to bid for a number of government contracts during the last two years. As described below we have taken the difficult but responsible decision to run down our employment and training business over the coming year.

Other trading revenues have decreased following our 2016 decision to wind down our online retail function and concentrate more of our resources on our charitable activities, where we are pleased to report growth in several areas including Employee Action Days, our tree-planting programme with OVO Energy and NCS youth volunteering.

Statement of financial activities

	2017 £'000	2016 £'000
Income	10,717	12,697
Expenditure:		
Activities undertaken directly		
Health, conservation and community	(6,720)	(6,578)
Training and employment	(2,555)	(4,302)
Support costs	(1,369)	(2,920)
Fundraising costs	(269)	(733)
Grants awarded	(199)	(20)
Taxation	51	114
Net unrestricted income/ (expenditure)	62	(1,817)
Net restricted income/ (expenditure)	(406)	75
Total net expenditure	(344)	(1,742)

Under our new operating model, TCV has generated a surplus of £0.1m on unrestricted funds. The 2015-16 unrestricted deficit included £0.4m of strategic costs as we transitioned to this new model and higher support costs required by our previous model.

Support costs have been reduced by 53% to £1.4m, with efficiency savings made across all support functions as we transitioned to networked sustainable systems and processes commensurate with the size and complexity of our charitable activities.

Cessation of online trading accounted for £0.3m of the reduction in fundraising costs. We recorded a restricted funds deficit of £0.4m (2016: surplus of £0.1m) as multi-year programmes that were funded upfront were delivered in 2015-16.

We are pleased to report current year performance in both restricted and unrestricted funds in line with our expectations. This was achieved with our new operating model in place whilst continuing to deliver our outcomes.

Balance sheet

	2017 £'000	2016 £'000
Tangible fixed assets	1,746	1,859
Debtors	2,051	2,491
Cash and cash equivalents	1,507	1,096
Creditors ¹	(2,021)	(1,917)
Net current assets	1,537	1,670
Provisions	(145)	(47)
Net assets	3,138	3,482

¹ Excluding overdraft £12,000 (2016: £975,000) presented within cash and cash equivalents.

The net asset value has reduced by £0.3m with net assets at March 2016 of £3.1m.

The Group had a net cash inflow of £0.4m for the year (2016: net cash outflow of £1.6m), with the £0.3m deficit offset by non-cash depreciation charges and a stronger working capital position.

The dilapidations provision has increased by £0.1m, with exposure remaining dispersed across a number of Group properties.

Funds and reserves

	2017 £'000	2016 £'000
Restricted income funds	1,614	2,020
Unrestricted funds	1,524	1,462
Total funds	3,138	3,482

Unrestricted funds have increased by £0.1m during the year, following implementation of our new operating model and associated reductions in support costs. The net balance on restricted funds has reduced by £0.4m, as grants on new projects that were funded upfront have been lower than our use of existing funding during the year, which was anticipated.

Strategic report: plans for future periods

Since March 2017 we have been encouraged by the continuation of key partnerships and programmes with the private, public and voluntary sectors. We were particularly pleased to receive confirmation in May 2017 of funding from the BLF for *Growing Communities* in Adur & Worthing. This transformational three-year project will build on our strong partnership with co-funders Adur & Worthing Councils and their *Rethinking Parks* programme.

Through the new operating model, implemented in 2016, we are supporting our front line delivery with more fit-for-purpose systems at a significantly lower cost than in previous years. Whilst public sector funding in particular remains uncertain, TCV has built a broad and resilient pipeline of funding opportunities which forecasts a small amount of growth in funding for our charitable activities.

We are closing our E&TS business for the reasons outlined by the Chairman and the Chief Executive on page 4 of this report. We recognise the positive impact that employability has on people's health, prospects and outdoor places and we are moving some of our employability and skills programmes into the Charity. Furthermore, we intend to develop new programmes for delivery in the Charity, where we know that they will be valuable to our beneficiaries, where we can be sure of their financial viability and where we are confident that we can deliver them well.

Unrestricted funds are once again expected to be broadly maintained over the coming year, whilst restricted funds may decrease slightly, based on expected timings of receipts and related activities on existing long term grants.

Going concern

The Trustees have reviewed forecasts to 30 September 2018 and on the basis of those forecasts believe that the Charity will be able to meet its liabilities as they fall due. These forecasts have been prepared conservatively, including risks and sensitivities to anticipated financial performance, including a review of actual performance compared to previous forecasts and consideration of financing facilities available. Mitigating actions available in the event of adverse circumstances or financial performance have also been considered. Cashflow forecasts prepared for the Charity do not rely on any Gift Aided profits or other cash distributions from our subsidiary TCV Employment and Training Services, as it concludes delivery of existing employment support programmes. Based on the information currently available in respect of the future, the Trustees consider that the Charity has the plans and resources to manage its business risks successfully. The Trustees have therefore prepared these financial statements on the going concern basis.

Strategic report: principal risks and uncertainties

The Trustees have overall responsibility for ensuring that the Charity has appropriate systems of control for managing risk within the organisation. TCV's risk management process is designed to ensure that appropriate steps are taken to identify and mitigate risk and to provide reasonable assurance against material misstatement or loss. TCV aims to identify the major risks to the organisation, ranking them on the basis of both likelihood and impact. Major risks are considered when setting operational and strategic objectives and in approval of significant grants and contracts. TCV operates a multi-year planning, budgeting and internal audit cycle that compares actual results to planned outcomes.

The risk management process is managed throughout the business, with standards set and monitored by the Risk and Compliance team. The Performance, Audit and Risk Committee reviews the underlying management of risk within the organisation and the work of the Risk and Compliance team in monitoring performance and compliance. It then brings this to the attention of the Board of Trustees on a quarterly basis.

This process is supported by performance against quantified thresholds for strategic risks being embedded in the monthly management reporting programme to provide triggers for actions to mitigate risks in order to avoid the breach of risk appetite limits agreed by the Board. On an annual basis, the Performance, Audit and Risk Committee provides the Board with a with a summary review of risk management issues for it to consider.

Principal risks have been reviewed and are aligned to our strategic plan. Risks are categorised as:

- **Financial: including volatility of financial performance, liquidity and reserves strength**

Restrictions on traditional sources of income, the constrained economic environment and the need to renew or replace fixed term grants and contracts all contribute to financial risk. The Group also recognises that internal monitoring is essential to reduce the volatility of financial performance by ensuring grant and project delivery and expenditure are properly controlled and that reserve strength is maintained.

- **Operations and people: including operational performance and people management**

The Group recognises that risks arise from operational systems and management of staff. It monitors and reviews decision making and operational systems, and monitors staff engagement and retention levels.

- **Reputational: including regulatory compliance, IT security and quality of volunteer and partner experiences**

The Board recognises that risks arise from potential reputational damage from regulatory and data breaches, the essential use of information technology and the experiences of volunteers and partner organisations. Steps are taken to ensure that regulatory breaches - including safeguarding, data protection and health and safety - do not happen, IT security breaches are prevented, volunteer experience and retention are monitored and stakeholder relationships are managed.

Risk management is embedded within the organisation in order to enable risk to be assessed effectively and appropriate controls and actions put in place to mitigate risks to acceptable levels.

The Trustees have given consideration to the major risks to which the Charity is exposed and satisfied themselves that systems or procedures are established in order to manage those risks appropriately, and that internal systems and procedures are developing in the light of new requirements and learning from the risk management process.

Policies

Investment policy

TCV has a high demand for working capital, which is brought about by the seasonal nature of our business, the mix of restricted and unrestricted activities, the timing of income and expenditure matching, and the possibility of longer-term capital commitments.

Keeping funds accessible and liquid therefore remains a key aim of our investment policy when considering any deposits and investments together with the management of risk in relation to the institutional investment of funds.

It is the policy of the Trustees to hold investments that:

- are low risk and secure
- are realisable in the short term
- aim to produce a total return as near to or in excess of predicted inflation, whilst protecting underlying capital
- are ethical in terms of our environmental and social values.

Reserves policy

The reserves policy aims to ensure that TCV's core activities could continue during a period of unforeseen difficulties and that a proportion of resources be maintained in a readily realisable form. To ensure that reserves are utilised in this manner, reserves and readily realisable reserves should be a minimum of six weeks and a target of 15 weeks of forward committed non-discretionary cash expenditure.

	2017	2016
Weekly expenditure (£'000)	214	280
Readily realisable reserves (£'000)		
Total (£'000)	1,537	1,670
Weeks expenditure in reserve	7.2	6.0
Reserves and readily realisable reserves		
Total (£'000)	3,138	3,482
Weeks expenditure in reserve	14.7	12.4

At 31 March 2017 readily realisable reserves were £1.5m being 7 weeks (2016: 6 weeks) representing 48% of net assets. Reserves and readily realisable reserves were £3.1m being 15 weeks (2016: 12 weeks). Readily realisable reserves are therefore within acceptable tolerances. The calculation of the required level of reserves is an integral part of TCV's financial planning and reporting cycle. The Trustees review the reserves policy on an annual basis. The review includes the consideration of the level of total and readily realisable reserves held, current forward commitments and the general economic outlook.

Disabilities

The Group gives full consideration to applications from people with disabilities, through the implementation of its equality and diversity policy.

Consultation

The Group fully supports the concept of information sharing by appropriate two-way communication. This includes use of staff and volunteer engagement surveys as part of a comprehensive communication strategy comprising multiple channels, including open question and answer conference calls between staff and the Leadership Team.

Anti-bribery and corruption

The Group gives due care and consideration to the prevention of acts of bribery and corruption, and has set out and adopted a clear anti-bribery and corruption policy, appropriate to the size and nature of the Group, which provides clear guidance to staff, volunteers and associated stakeholders. We have an appropriate whistle blowing policy as part of our way of working.

Structure, governance and management

Legal structure

The governing instrument of the Charity is the Articles of Association, originally dated March 1970 and last amended November 2014. The Charity's investment powers are unrestricted except by general charity law. The Conservation Volunteers is a Charity registered with the Charity Commission for England and Wales and the Office of the Scottish Charity Regulator. It is also a company limited by guarantee. At the Annual General Meeting held in November 2016, TCV had 263 members, who elect trustees to the Board, appoint TCV's auditors and receive the annual report and financial statements.

Trading subsidiary

TCV Employment and Training Services Limited is a wholly-owned trading subsidiary. Its board of directors comprises current and former trustees of TCV complemented by members of staff. The principal activities of E&TS are the delivery of learning, educational and personal development and employment programmes based mostly on employment-related services. E&TS is expected to cease trading activity following conclusion of its existing contracts, as the Group refocuses its employment-related activities.

The Chestnut Fund

The Chestnut Fund was established by TCV as a separate charity. The purpose of the fund is to be a source of small start-up and development grants to local groups that have aims and objectives that are in line with those of TCV. The Chestnut Fund receives financial support from TCV.

Organisation structure

The Trustees are responsible for the overall management of the Charity, and have delegated day-to-day running to the Chief Executive Officer, supported by the Leadership Team. The CEO and Leadership Team provide the Trustees with quarterly reports on operational performance, health and safety, people and business development activities. Reports on financial performance are provided to Trustees each month.

The Board of Trustees

During the year, the Board guided TCV through the second year of our five year strategy, *Our Plan 2020*. Trustees serve for a three year term, which may be renewed for another three years.

The Trustees bring a wealth of experience and expertise from a wide range of sectors. Further details of the expertise brought by each Trustee are given on page 16. Rita Clifton CBE stepped down as Chair of TCV, having served her full six year terms of office. We are profoundly grateful to Rita for leading TCV successfully through this challenging period. Mike Kirk steps up from Vice Chair to Chair, providing valuable continuity of leadership for the organisation. Paulette Cohen also completed her term of office during the year, after six years on the Board. Two new trustees, Michael Kellet and Roger Perkin, were appointed to the Board.

The Board governs the organisation through compliance with the Charity Commission for England and Wales' Code of Good Governance, plus TCV's vision, aims and charitable objectives. The Board held four formal meetings during the year as well as other informal meetings and visits.

The Board has two delegated subcommittees: the Performance, Audit and Risk Committee and the Nominations and Governance Committee, both of which have terms of reference, meet with and report to the main Board of Trustees regularly. All new trustees are required to undertake a programme of induction, which aims to give a wide understanding of TCV, the external environment in which the organisation works and the challenges it faces. Members of the Board of Trustees, who are also directors of the Company and Trustees of the Charity (for statutory purposes), are listed on page 15 together with the President and Ambassadors.

Performance, Audit and Risk Committee

The Performance, Audit and Risk Committee assists the Board in discharging its responsibilities by considering and reviewing matters relating to the control environment, internal and external audit and risk management and making appropriate recommendations to the Board for action. The Committee is comprised of trustees and a third-party corporate member. The CEO, Finance Director and Risk and Quality Manager are invited to attend each meeting. The committee has reviewed the resources required to fully measure and actively manage risk for the Group making use of internal and third-party expertise and Group resources as required.

The Committee considers and reviews matters relating to the preparation of the Annual Report and Financial Statements including the audit process and presents its findings to the Board, which formally approves the Annual Report and Financial Statements. It reviews and assesses the balance, integrity and transparency of management information provided to the Board. In addition, it recommends to the Board measures to ensure that the key areas of risk are being identified by the Board and that appropriate management controls are in place and their effectiveness reviewed on a regular basis. The Committee reviews the competence of the Group's external auditors annually and reports all audit findings to the Board of Trustees.

Nominations and Governance Committee

The Nominations and Governance Committee, at the request of the Board of Trustees, is required to identify and propose candidates for trusteeship and candidates for nominated membership of TCV, and to advise the Board concerning Group remuneration policy, remuneration of key management personnel, benchmarking against roles in comparable organisations, and major matters of governance. The Committee also checks the appropriateness of Trustees for re-appointment. The Nominations and Governance Committee is an independent committee with a majority of its members not being members of the Board of Trustees. During the year, there was one new trustee considered and recommended for election at the November AGM and one was co-opted subsequent to the AGM. Two trustees were considered and recommended for re-election for a second term of office. The committee also advised the Board on appointment of a new Chair.

Trustees responsibilities for the financial statements

The Trustees (who are also directors of TCV for the purposes of company law) are responsible for preparing the Trustees' and Directors' report including the strategic report, and the financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles set out in the Charities SORP (FRS 102)
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business.

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

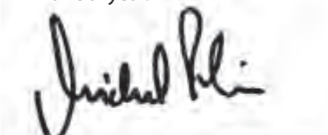
The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

In approving the report of the Trustees, the Trustees are also approving the Strategic Report in their capacity as company directors.

Grant Thornton UK LLP have expressed their willingness to continue in office as auditor. They will be deemed reappointed for the next financial year.



Mike Kirk
Chair of the Board
20 September 2017

Trustees and advisors

Patron

HRH The Duke of Edinburgh KG, KT

President

Sir Jonathon Porritt CBE

Vice Presidents

Sir David Attenborough OM, CH, CBE, FRS
Professor David Bellamy OBE
Dr William Bird MBE
Robert E Boote CVO
Andrew C H Brown
Professor Michael Dower CBE
The Marchioness of Dufferin and Ava
Dr Rupert Evenett
Roger de Freitas
The Baroness Miller of Chilthorne Domer
Robert C Morley
Bill Oddie OBE

Ambassadors

Dr William Bird MBE
David Coleman
Jeremy Corbett CBE
Professor Michael Dower CBE
Roger de Freitas
Sue Hilder
Noel Hufton
Richard Williams

Board of Trustees

Mike P Kirk ** (Chair of the Board of Trustees)
Maria Adebowale ** (Resigned 15 June 2017)
Tony Burton CBE
Rita Clifton CBE (Resigned 31 March 2017)
Paulette Cohen ** (Resigned 23 November 2016)
Michael Kellet * (Appointed 23 November 2016)
John Mallalieu
Roger Perkin (Appointed 6 February 2017) *
Simon Rennie MBE
Julie Royce *
Jane Stevenson
Richard Stiff **

Nominations and Governance Committee

Dr Rupert Evenett (Chair)
Maria Adebowale
Paulette Cohen
David Coleman
Mike P Kirk (Chair of the Board of Trustees)
Richard Stiff

Performance, Audit and Risk Committee

Roger Perkin (Chair)
Michael Kellet
Julie Royce
Tilden Watson CFPA, IIA, MBCOI, Zurich
Risk Engineering UK

Principal Banker

NatWest Plc
12 High Street, Doncaster, DN1 1EJ

Statutory Auditor

Grant Thornton UK LLP
2 Broadfield Court, Sheffield, S8 0XF

Company number: 00976410

Charity numbers:
261009 (England and Wales)
SC039302 (Scotland)

Registered office

Sedum House, Mallard Way, Doncaster,
DN4 8DB

* Performance, Audit and Risk
Committee member

** Nominations and Governance
Committee member

Our Trustees

Mike Kirk

Mike was previously a partner at Cazenove and Co, providing financial and strategic advice to clients in a wide range of sectors including sustainable technology, and led the financial PR practice of Weber Shandwick, which included assisting companies to improve their CSR policies and reporting. He is currently the Chair Designate of Portsmouth Water Ltd, Chair of VIVID, a leading provider of social housing in Hampshire and Surrey, and Executive Chairman of Quadris Fuels International, an AIM listed technology company offering services to the energy and marine industries.

Tony Burton, CBE

Tony is Vice Chair of the Big Lottery Fund and Friends of the Earth, Chair of Wandle Valley Forum and a Trustee of mySociety. He founded Civic Voice, helped establish Heritage Alliance and has over twenty five years' experience on the Executive Boards of charities including National Trust, CPRE and as Chair of Wildlife & Countryside Link. Tony also works on a wide range of community and environmental projects, including neighbourhood planning.

Michael Kellet

Michael Kellet is the Director of Fife's Health and Social Care Partnership. He took up the post in August 2016 and is accountable to the NHS Fife Board and Fife Council, as well as the Scottish Government's Health Secretary.

Michael has 20 years' experience working in government in Scotland. He has taken on a range of key roles over the years as private secretary to 3 separate Ministers, as the policy lead on flagship pieces of legislation and a key role representing Scotland abroad. Michael's previous SCS roles include in education on the teacher workforce and as Head of Emergencies for Scottish Government.

John Mallalieu

John is CEO of The Bank Workers Charity, which supports the health and wellbeing of the banking community. From a career in retail banking John has held a range of senior leadership roles across Health and Social care delivery for public sector, private sector and third sector organisations.

John holds a lay role with NHS Calderdale Clinical Commissioning Group and is also the Lay Chair of the Primary Medical Services Committee.

John additionally chairs the Department of Work & Pensions Mental Health & Work Group for the Welfare Minister and is a member of the Psychological Wellbeing & Work Expert Advisory Group.

Roger Perkin

Roger Perkin spent 40 years at Ernst & Young, including over 30 years as a Partner, working with a wide range of clients before specialising in financial services and retiring in 2009.

Roger has significant global accounting experience and financial services expertise, which he has brought to TCV as Trustee and the Performance, Audit and Risk Committee as Chair. He served as an Independent Non Executive Director for companies including Nationwide Building Society and Friends Life Group. He now has a portfolio of Trustee positions, including the Charities Aid Foundation, as well as continuing to serve on a number of plc boards in the financial services sector.

Simon Rennie, MBE

Simon is Chief Executive of the Central Scotland Green Network Trust and is a director of the Falkirk Community Trust and Paths for All. With a degree in forestry, Simon worked in private sector forestry abroad before returning to the UK in 1990. He has since worked in the charitable sector focusing on social inclusion and environmental justice.

Julie Royce

Julie is currently employed by The National Institute for Health and Care Excellence (NICE), leading a team who help the users of NICE guidance to put it into practice. Previously she has held a range of senior management, training and marketing positions, including for Unilever, the NHS and a small advertising agency.

Jane Stevensen

Jane is Engagement Director to the FSB (Financial Stability Board) Task Force on Climate-related Financial Disclosures for CDP (formerly the Carbon Disclosure Project).

Prior to joining CDP, Jane was Director of Sustainability Advisory Services for Grant Thornton LLP. She is a Natural Resources sector expert, and has worked all over the world becoming an expert in stakeholder engagement in fragile environments. She chairs the CDP Oil & Gas Advisory Group, and is working on developing Board level expertise and understanding in Climate risk.

She is an affiliate of CISL, the University of Cambridge's Institute for Sustainable Leadership, and a Mentor for Inspiring Women at Inspiring the Future.

Richard Stiff

Richard's career has taken him from teacher in Bognor Regis to Chief Executive of Angus Council via Deputy Chief of Education Leeds, Executive Director of Children's Services and other posts in local government. Richard has extensive experience of working in rural and urban environments in England and Scotland and of public and private sector partnerships.

Since retiring from Angus Council in May 2017, Richard works as an independent public sector consultant. He is a non-executive director of a local authority-owned CIC and a governor of a tertiary college in North Yorkshire.

Independent auditor's report to the Trustees and Members of The Conservation Volunteers

We have audited the financial statements of The Conservation Volunteers for the year ended 31 March 2017, which comprise the Consolidated statement of financial activities, the Consolidated and Charity balance sheets, the Consolidated statement of cashflows, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the Charitable Company's Members and Trustees, as a body, in accordance with Section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under 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 and Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on pages 14 and 15, 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. We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and parent Charitable Company's affairs as at 31 March 2017 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion 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 Trustees' and Directors' Report incorporating the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' and Directors' Report incorporating the strategic report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

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 any material misstatements in the Trustees' and Directors' Report incorporating the strategic report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- proper and adequate accounting records have not been kept by the Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Charitable Company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Peter Edwards

Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Sheffield

20 September 2017

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

Consolidated statement of financial activity (incorporating the income and expenditure account)

	Note	Unrestricted funds 2017 £'000	Restricted funds 2017 £'000	Total 2017 £'000	Total 2016 £'000
Income from:					
Donations and legacies	2	91	5	96	155
Charitable activities	3	5,981	4,347	10,328	11,960
Other trading activities	4	116	-	116	340
Investments	5	105	-	105	123
Other		72	-	72	119
Total income		6,365	4,352	10,717	12,697
Expenditure on:					
Raising funds	6	(269)	-	(269)	(733)
Charitable activities	7	(6,085)	(4,758)	(10,843)	(13,820)
Total expenditure		(6,354)	(4,758)	(11,112)	(14,553)
Net income/ (expenditure) before taxation					
		11	(406)	(395)	(1,856)
Corporation tax	11	51	-	51	114
Net income/ (expenditure) after taxation and movement in funds		62	(406)	(344)	(1,742)
Reconciliation of funds					
Total funds brought forward		1,462	2,020	3,482	5,224
Total funds carried forward	20	1,524	1,614	3,138	3,482

All activities are classed as continuing operations.

The accounting policies and notes on pages 21 to 34 form part of these financial statements.

Consolidated and Charity balance sheets

	Note	Group 2017 £'000	Group 2016 £'000	Charity 2017 £'000	Charity 2016 £'000
Fixed assets:					
Tangible assets	13	1,746	1,859	1,517	1,624
Investments	14	-	-	-	500
		1,746	1,859	1,517	2,124
Current assets:					
Debtors	15	2,051	2,491	1,853	1,808
Cash at bank and in hand	22	1,519	2,071	1,418	2,046
		3,570	4,562	3,271	3,854
Creditors: amounts falling due within one year	16	(2,033)	(2,892)	(1,692)	(2,237)
Net current assets		1,537	1,670	1,579	1,617
Total assets less current liabilities		3,283	3,529	3,096	3,741
Provisions for liabilities	18	(145)	(47)	(60)	(34)
Net assets		3,138	3,482	3,036	3,707
Funds and reserves:					
Restricted income funds		1,614	2,020	1,599	2,004
Unrestricted funds	20	1,524	1,462	1,437	1,703
Total funds		3,138	3,482	3,036	3,707

The financial statements were approved and authorised for issue by the Board of Trustees on 20 September 2017.
The accounting policies and notes on pages 21 to 34 form part of these financial statements.



Mike Kirk
Chairman



Roger Perkin
Director

Company Number : 00976410

Consolidated statement of cashflows

	Note	2017 £'000	2016 £'000
Net cash generated by/ (used in) operating activities	21	289	(1,734)
Cash flows from investing activities:			
Interest and rents		105	123
Proceeds from sale of tangible fixed assets		17	52
Purchase of tangible fixed assets		-	(16)
Net cash provided by investing activities		122	159
Cash flows from financing activities:			
Repayment of finance leases		-	(1)
Net cash used in financing activities		-	(1)
Increase/ (decrease) in cash and cash equivalents		411	(1,576)
Opening cash and cash equivalents		1,096	2,672
Closing cash and cash equivalents	22	1,507	1,096

The accounting policies and notes on pages 21 to 34 form part of these financial statements.

Principal accounting policies

Charitable company information

The Conservation Volunteers is a charitable company limited by guarantee (company number 00976410). The registered office is Sedum House, Mallard way, Doncaster DN4 8DB.

TCV Employment and Training Services Limited (E&TS) is a wholly owned subsidiary of the Charitable Company, incorporated in England as a Private Limited Company.

Basis of preparation

The Charity is a public benefit entity

These financial statements have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (FRS 102)' effective 1 January 2015 ('2015 SORP'), Financial Reporting Standard 102 ('FRS 102'), the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 and the Companies Act 2006. They have been prepared under the historical cost convention.

These financial statements are presented in Pounds sterling (£'000).

The individual accounts of the Charity have also adopted the following disclosure exemptions:

- The requirement to present a statement of cash flows and related notes; and
- Financial instrument disclosures.

The principal accounting policies of the Group and Charity are set out below.

Basis of consolidation

The Group financial statements consolidate those of The Conservation Volunteers and its subsidiary undertaking, E&TS, which is consolidated on a line by line basis. The subsidiary is defined as an entity where the Charity has control and derives financial benefit.

Going concern

The Trustees have prepared these financial statements on the going concern basis. The Trustees have reviewed forecasts to 30 September 2018 and on the basis of those forecasts believe that the Charity will be able to meet its liabilities as they fall due. These forecasts have been prepared conservatively, including risks and sensitivities to anticipated financial performance, including a review of actual performance compared to previous forecasts and consideration of financing arrangements including overdraft facilities available to the Group. Mitigating actions available to the Group in the event of adverse circumstances or financial performance have also been considered. Cash flow forecasts prepared for the Charity do not rely on any Gift Aided profits or other cash distributions from its subsidiary TCV E&TS, as the subsidiary concludes delivery of its existing employment support programmes. Based on the information currently available in respect of the future, the Trustees consider that the Charity has the plans and resources to manage its business risks successfully and that there are no material uncertainties about the Charity's ability continue as a going concern.

Income

Income is recognised when receipt is probable and the amount can be reliably measured. Income is deferred only when the Group has to fulfil conditions before becoming entitled to it or where the donor has specified that the income is to be expended in a future period. Where relevant, income is presented net of VAT.

Income from donations and legacies to the Group is included in full in the Statement of Financial Activities when there is certainty over receipt and all conditions have been met.

Restricted grants are recognised when they are receivable provided condition for receipt has been met, unless they relate to a specified future period, in which case they are deferred. Grants for the purchase of fixed assets are recognised when receivable.

Contractual health, conservation and community income is recognised in the periods in which the associated work is delivered. Training and employment income is recognised in the period when training is provided or beneficiaries are supported in meeting employment-related thresholds.

Whilst time given by our many volunteers in delivering health, conservation and community activities and provision of administration, advisory and other support functions is essential to the work of The Conservation Volunteers, this donation of time is not recognised in these financial statements since its value cannot be measured reliably for accounting purposes.

Expenditure

Expenditure is included in the consolidated statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Support costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of direct costs.

Fixed assets

Individual fixed assets costing £2,000 or more are capitalised at cost.

Tangible fixed assets are stated at cost, net of depreciation. On adoption of the 2015 SORP, deemed cost of freehold land and buildings was based on independently prepared valuations as at 1 April 2014. Existing book values were retained on adoption of the 2015 SORP for all other fixed assets.

Depreciation is calculated to write down the cost or valuation less estimated realisable value, of all tangible fixed assets over their expected useful lives. Depreciation is recognised on a straight line basis over the following periods:

- Freehold buildings: 20-50 years
- Leasehold improvements: length of the lease
- Motor vehicles: 3 to 8 years
- Computer and other equipment: 3 to 20 years
- Freehold land is not depreciated.

Where the Group leases parts of its properties temporarily surplus to its own needs to other organisations, these assets are classed as tangible fixed assets. The investment property components are not separately accounted for, since their fair value cannot be measured reliably without undue cost or effort.

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss.

Investments

Investments in trading subsidiaries are measured at the present value of expected discounted future cash flows, unless these cannot be reliably estimated. Gains and losses on remeasurement are recognised in the Statement of Financial Activity.

Further details concerning the Charity's investment in E&TS are provided in note 26.

Principal accounting policies

Retirement benefits - defined contribution pension scheme

The pension costs included in the statement of financial activities represent the amount of the contributions payable to the scheme in respect of the year.

Pension costs and liabilities are allocated between restricted and unrestricted funds based on activities performed by employees to which these costs relate.

Current and deferred taxation

The current income tax charge is calculated on the basis of UK tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised on all timing differences where the transactions or events that give the Group an obligation to pay more tax in the future have occurred by the balance sheet date.

Deferred tax assets are recognised when it is more likely than not that they will be recovered.

Deferred tax is measured using rates of tax that have been enacted or substantially enacted by the balance sheet date.

Provisions for liabilities

Provisions (other than for deferred tax) are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be estimated reliably.

Holiday pay accrual

The Group recognises an accrual for annual leave accrued by employees as a result of services rendered in the current year and which employees are entitled to carry forward and use in future years. The accrual is measured at the salary cost payable for the period of absence.

Termination payments

Provision is made for redundancy and other termination payments when a constructive obligation has been created through communication with affected pools of employees and the cost can be estimated reliably.

Leased assets

Assets that are the subject of finance leases are capitalised at their fair value and depreciated over the length of the lease. The finance charge under the lease is also written off over the length of the lease.

Rentals paid under operating leases are charged to the statement of financial activity on a straight line basis over the term of the lease.

Financial instruments

The Group holds only basic financial instruments, being debtors, creditors, cash, overdrafts and leases, which are recognised at cost less provision for estimated irrecoverable assets.

Restricted funds

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure that meets these criteria is allocated to the fund.

When grants and donations are received for a specific purpose involving capital investment, the cash will be recorded against a restricted fund. When the investment has been made, the relevant capital asset will be recorded against the relevant fund, and depreciation of the asset charged against the fund.

Once any restrictions on the use of the asset have expired, the asset will be transferred from the restricted fund to unrestricted funds.

Unrestricted funds

Unrestricted funds are incoming resources received or generated for charitable purposes and are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Notes to the financial statements

1 Prior year statement of financial income and activities

Financial activities for the prior year comprise the following restricted and unrestricted income and expenditure:

	Note	Unrestricted funds 2016 £'000	Restricted funds 2016 £'000	Total 2016 £'000
Income from:				
Donations and legacies	2	148	7	155
Charitable activities	3	8,282	3,678	11,960
Other trading activities	4	340	-	340
Investments	5	123	-	123
Other		119	-	119
Total income		9,012	3,685	12,697
Expenditure on:				
Raising funds	6	(733)	-	(733)
Charitable activities	7	(10,210)	(3,610)	(13,820)
Total expenditure		(10,943)	(3,610)	(14,553)
Net income/(expenditure) before taxation		(1,931)	75	(1,856)
Corporation tax	11	114	-	114
Net income/(expenditure) before taxation		(1,817)	75	(1,742)
Reconciliation of funds				
Total funds brought forward		3,279	1,945	5,224
Total funds carried forward		1,462	2,020	3,482

2 Income from donations and legacies

	2017 £'000	2016 £'000
Donations	38	54
Legacies	23	42
Membership fees	35	59
	96	155

Notes to the financial statements

3 Income from charitable activities

	2017 £'000	2016 £'000
Health, conservation and community	7,735	7,295
Training and employment	2,593	4,665
	10,328	11,960

The Group has recognised £1,677,000 income from government grants during the year (2016: £1,107,000), including amounts from central UK government, Northern Ireland and Scotland Executives and statutory authorities. Some of these grants are subject to information reporting and other routine beneficiary outcome requirements. No government grants recognised as income are considered likely to require full or partial repayment, although some remain subject to a period in which clawbacks can be required. These grants have been recognised within restricted funds.

Charitable activities also include delivery of various public sector service contracts.

4 Income from other trading activities

	2017 £'000	2016 £'000
Charity shop	79	99
Online and wholesale trading	11	189
Insurance administration	26	52
	116	340

5 Income from investments

	2017 £'000	2016 £'000
Rental and venue hire	103	117
Bank interest	2	6
	105	123

6 Expenditure on raising funds

	2017 £'000	2016 £'000
Marketing and public relations	187	295
Charity shop	76	82
Online and wholesale trading	6	310
Insurance administration	-	46
	269	733

7 Expenditure on charitable activities

	Activities undertaken directly 2017 £'000	Grant funding of activities 2017 £'000	Support costs 2017 £'000	Total 2017 £'000
Health, conservation and community	6,720	199	992	7,911
Training and employment	2,555	-	377	2,932
	9,275	199	1,369	10,843

	Activities undertaken directly 2016 £'000	Grant funding of activities 2016 £'000	Support costs 2016 £'000	Total 2016 £'000
Health, conservation and community	6,578	20	1,763	8,361
Training and employment	4,302	-	1,157	5,459
	10,880	20	2,920	13,820

Support costs comprise:

	2017 £'000	2016 £'000
External affairs	16	178
Finance, procurement and property	515	1,043
Information technology	381	434
Leadership and governance	214	260
People services	125	394
Risk and safety	118	238
Strategic implementation and restructure costs	-	373
	1,369	2,920

8 Trustees' remuneration, expenses and indemnity insurance

	2017 £'000	2016 £'000
Travel and subsistence	4	3

The directors of the Charity are the Trustees under charity law and received no remuneration, either from the Charity or its subsidiaries. The number of trustees who received reimbursed expenses or on whose behalf subsistence and travel costs were paid by the Group was eleven (2016: seven).

The Charity has taken out indemnity insurance that protects both the Charity and its trustees from losses arising from neglect or default by the Trustees, employees or other agents of the Group

Notes to the financial statements

9 Staff costs

	Group	Group	Charity	Charity
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Wages and salaries	5,934	8,002	4,583	5,608
Social security costs	427	605	334	439
Defined contribution pension	192	249	171	205
Other benefits	74	128	70	104
	6,627	8,984	5,158	6,356
Average number of staff	285	366	223	256

Wages and salaries include £32,000 (2016: £212,000) of redundancy payments.

The number of staff receiving total employee benefits greater than £60,000 (including redundancy payments but excluding employer pension contributions) was:

	2017	2016
	Number	Number
£60,000 - £70,000	3	4
£70,000 - £80,000	1	1
£80,000 - £90,000	2	1
£100,000 - £110,000	-	1
	6	7

The total employment cost, including employer's national insurance contributions in respect of the Group's executive leadership team, who are considered to be the key management personnel, amounted to £743,000 (2016: £914,000).

10 Other costs

Amounts payable to the Charity's auditor comprised:

	2017	2016
	£'000	£'000
Audit of the Charity's financial statements	18	17
Audit of the Charity's subsidiary pursuant to regulation	12	12
Tax compliance services	4	4
Other services	10	-
	44	33

10 Other costs (continued)

Net expenditure before taxation is stated after charging:

	2017	2016
	£'000	£'000
Interest payable	6	13
Depreciation of tangible fixed assets	106	189
Operating lease costs - property	524	629
Operating lease costs - other	116	110

11 Taxation

The corporation tax credit for the year is analysed as:

	2017	2016
	£'000	£'000
UK Corporation tax at 20% (2016: 20%)	25	76
Adjustments to tax charge in respect of previous periods	(76)	(190)
Total current tax (credit) for the year	(51)	(114)

Factors affecting the tax credit for the year:

	2017	2016
	£'000	£'000
Net expenditure before taxation	(395)	(1,853)
Tax on net expenditure at 20% (2016: 20%)	(79)	(371)
Effects of:		
Amounts in Charity not deductible	34	268
Adjustments to tax charge in respect of previous periods	(76)	(190)
Fixed asset timing differences	10	-
Deferred tax not recognised	60	179
Total current tax (credit) for the year	(51)	(114)

12 Charity's results

The Charity has taken advantage of section 408 of the Companies Act 2006 and has not included its own income and expenditure account in these financial statements. The results of the Charity are summarised below:

	2017	2016
	£'000	£'000
Total income	8,504	8,858
Total expenditure	(9,175)	(10,186)
Net expenditure	(671)	(1,328)

Notes to the financial statements

13 Fixed assets

Group	Freehold land and buildings £'000	Short leasehold land and buildings £'000	Motor vehicles £'000	Computer and other equipment £'000	Total £'000
Cost					
Opening	1,438	710	1,582	294	4,024
Disposals	-	(9)	(183)	-	(192)
Closing	1,438	701	1,399	294	3,832
Depreciation					
Opening	46	341	1,485	293	2,165
Charge for the year	23	31	51	1	106
Disposals	-	(8)	(177)	-	(185)
Closing	69	364	1,359	294	2,086
Carrying amount					
Opening	1,392	369	97	1	1,859
Closing	1,369	337	40	-	1,746
Charity					
	Freehold land and buildings £'000	Short leasehold land and buildings £'000	Motor vehicles £'000	Computer and other equipment £'000	Total £'000
Cost					
Opening	1,208	710	1,496	186	3,600
Disposals	-	(9)	(183)	-	(192)
Closing	1,208	701	1,313	186	3,408
Depreciation					
Opening	39	341	1,411	185	1,976
Charge for the year	20	31	48	1	100
Disposals	-	(8)	(177)	-	(185)
Closing	59	364	1,282	186	1,891
Carrying amount					
Opening	1,169	369	85	1	1,624
Closing	1,149	337	31	-	1,517

13 Fixed assets (continued)

The Group applied transitional arrangements of section 35 of FRS 102, using a valuation at 1 April 2014 as the deemed cost for all of its freehold properties. The properties are being depreciated from the valuation date.

The properties were last valued as at 1 April 2014 by an external professional valuer, Lambert Smith Hampton, a general practice firm providing surveying and valuation services, using market based evidence for similar local properties. The cost of land and buildings at 31 March 2017 is made up of:

	Group 2017 £'000	Charity 2017 £'000
2014 valuation	1,430	1,200
Additions at cost	8	8
Net book amount	1,438	1,208

If these assets had not been revalued, freehold land and buildings would have been included on the historical cost basis at the following amounts:

	Group 2017 £'000	Group 2016 £'000	Charity 2017 £'000	Charity 2016 £'000
Cost	2,511	2,511	2,216	2,216
Depreciation	(988)	(937)	(835)	(790)
Net book amount	1,523	1,574	1,381	1,426

Included within freehold land and buildings is land held at deemed cost of £467,000 (2016: £467,000) which is not depreciated.

There were no contractual commitments to acquire tangible fixed assets at 31 March 2017 or 31 March 2016.

14 Investments

Investments comprise the cost of investment in the Charity's subsidiary company TCV Employment and Training Services Limited (E&TS) (company number 01933576). The principal activities of E&TS during the year have been the provision of training and employment-support services. The directors of E&TS intend to cease trading activities once current contracts have been completed. As a result of this decision, the carrying value of the investment has been written down in the Charity balance sheet from £500,000 at 31 March 2016 to £nil at 31 March 2017. Further details regarding this impairment are provided in note 26.

E&TS is controlled by virtue of the Charity holding 100% of the issued share capital. It has reporting dates co-terminus with the Charity.

Financial performance for E&TS for the year was:

	2017 £'000	2016 £'000
Turnover	2,554	4,736
Expenditure	(2,437)	(4,362)
Gift Aid paid	(341)	(903)
Taxation	51	114
Loss for the year	(173)	(415)

Notes to the financial statements

14 Investments (continued)

The financial position of E&TS at 31 March was:

	2017	2016
	£'000	£'000
Assets	583	1,327
Liabilities	(481)	(1,052)
Total net assets	102	275

15 Debtors

	Group	Group	Charity	Charity
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Trade debtors	1,209	1,416	1,146	1,096
Amounts owed by Group undertakings	-	-	55	-
Prepayments and accrued income	803	1,024	615	664
Other debtors	39	51	37	48
	2,051	2,491	1,853	1,808

Amounts owed by Group undertakings are interest free and repayable on demand.

16 Creditors: amounts falling due within one year

	Group	Group	Charity	Charity
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Bank overdraft	12	975	12	665
Trade creditors	325	480	249	313
Amounts owed to Group undertakings	-	-	-	383
Accruals and deferred income	1,166	968	1,041	663
Corporation tax	25	76	-	-
Other taxation and social security	470	345	360	170
Other creditors	35	48	30	43
	2,033	2,892	1,692	2,237

The bank overdraft is secured by way of a charge on freehold property owned by the Group. Amounts owed to Group undertakings are interest free and repayable on demand.

17 Deferred income

Movements in deferred unrestricted income during the year are as follows. Contractual income is deferred when income is invoiced or received in advance of delivery of the associated service. Restricted grant income is recognised when the Group receives or first becomes entitled to receipt and is not deferred.

	Group	Group	Charity	Charity
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Brought forward	646	380	379	175
Utilised during the year	(636)	(291)	(369)	(175)
Deferred during the year	813	557	739	379
Carried forward	823	646	749	379

18 Provisions for liabilities

	Group	Charity
	Dilapidations	Dilapidations
	£'000	£'000
Balance at April 2016	47	34
Increased during the year	98	26
Balance at March 2017	145	60

The provisions relate to contractual lease obligations and fall due at the end of lease terms.

19 Financial instruments

The following financial instruments are measured at amortised cost:

	Group	Group	Charity	Charity
	2017	2016	2017	2016
	£'000	£'000	£'000	£'000
Trade debtors	1,209	1,420	1,146	1,096
Amounts owed by Group undertakings	-	-	55	-
Other debtors	39	51	37	48
Financial assets	1,248	1,471	1,238	1,144
Bank overdraft	(12)	(975)	(12)	(665)
Trade creditors	(325)	(480)	(249)	(313)
Amounts owed to Group undertakings	-	-	-	(383)
Accruals	(171)	(87)	(141)	(82)
Other creditors	(36)	(48)	(30)	(43)
Financial liabilities	(544)	(1,590)	(432)	(1,486)
Net financial assets/ (liabilities) at amortised cost	704	(119)	806	(342)

Notes to the financial statements

19 Financial instruments (continued)

Interest income and expenditure recognised on financial assets and liabilities is as follows:

	Group 2017 £'000	Group 2016 £'000	Charity 2017 £'000	Charity 2016 £'000
Interest earned on cash at bank	2	6	2	6
Interest charged on bank overdraft	(6)	(12)	(0)	(8)

20 Analysis of net assets between funds

Group fund balances at 31 March 2017 are represented by:

	Unrestricted funds £'000	Restricted income funds £'000	Total funds £'000
Tangible fixed assets	885	861	1,746
Net current assets	784	753	1,537
Provisions	(145)	-	(145)
Total net assets	1,524	1,614	3,138

Charity fund balances at 31 March 2017 are represented by:

	Unrestricted funds £'000	Restricted income funds £'000	Total funds £'000
Tangible fixed assets	671	846	1,517
Net current assets	826	753	1,579
Provisions	(60)	-	(60)
Total net assets	1,437	1,599	3,036

21 Reconciliation of net cash flow from operating activities

	Group 2017 £'000	Group 2016 £'000
Net expenditure for the year	(344)	(1,742)
Adjustments for:		
Depreciation charges	106	189
Rental income and interest	(105)	(123)
Profit on sale of fixed assets	(10)	(11)
Decrease in stock	-	100
Decrease in debtors	440	561
Increase / (decrease) in creditors	104	(655)
Increase / (decrease) in provisions	98	(53)
Cash generated by/ (used in) operating activities	289	(1,734)

22 Cash and cash equivalents

	Group 2017 £'000	Group 2016 £'000
Cash at bank and in hand	1,519	2,071
Bank overdraft	(12)	(975)
Total cash and cash equivalents	1,507	1,096

23 Operating lease commitments

Total minimum commitments under non-cancellable operating leases for land and buildings are as follows:

	Group 2017 £'000	Group 2016 £'000	Charity 2017 £'000	Charity 2016 £'000
Commitments payable:				
Within one year	114	227	54	143
Within two to five years	135	64	135	49
	249	291	189	192

24 Related party transactions

There were no disclosable transactions with Trustees other than those disclosed in note 8. In accordance with section 33 of FRS 102, transactions between the Charity and its wholly owned subsidiaries are not required to be disclosed.

25 Contingent liabilities

If the Charity were to dispose of its freehold property on Mallard Way, Doncaster, prior to November 2025, Doncaster Metropolitan Borough Council would be entitled to 50% of the sale proceeds for the land. No provision has been included in these accounts in respect of this clawback entitlement. The land is accounted for as a tangible fixed asset of the Charity and is not considered an investment property.

Certain grants received in the current and previous years from EU and other funders include rights to clawback amounts paid to the Group. The Group takes all reasonable steps to ensure it complies with the terms attaching to receipt of EU and other income and consider any repayments to be unlikely. However the Trustees recognise that this is a complex area and there is always a risk that some funding could become repayable following audits by the funders' verification teams.

26 Critical judgements in applying accounting policies

Recognition of current tax liability

The Group has recognised a corporation tax liability of £25,000 (2016: £76,000) in respect of profits in the trading subsidiary Employment and Training Services Limited (E&TS) which had not yet been Gift Aided to the Charity at the balance sheet date. Whilst it remains the intention of the Trustees to minimise the corporation tax payable by the Group through the continued use of Gift Aid, such payments must be based on assessment of cash resources and distributable reserves of E&TS at the time of distribution and so cannot be assumed as at the balance sheet date.

Accounting for grants and contracts

The classification of income from charitable activities as either grant funding or contracts for provision of services requires judgement as to the nature of the terms agreed with the funder. This classification affects both the presentation and timing of income recognised in the statement of financial activities.

Contracts are classified as unrestricted income which is recognised in the periods in which the services are delivered. Grants are classified as restricted income and are recognised when receivable provided that conditions for receipt have been met, unless they specifically relate to a future period.

Notes to the financial statements

The recognition of grants related to purchase or construction of tangible fixed assets involves a further judgement as to the useful economic life of the assets to which they relate.

Deemed cost of fixed assets on adoption of FRS 102 and 2015 SORP

The Group has elected to use valuation of certain items of freehold land and buildings as deemed cost on transition to FRS 102 and SORP 2015. These assets are being depreciated from the date of transition (1 April 2014) in accordance with the Group's accounting policies. Other tangible fixed assets are accounted for at their previously recognised carrying values.

Changes to deemed cost on transition or useful economic life would result in changes to the depreciation charge for the year and the carrying value of tangible fixed assets.

Carrying value of investment in E&TS

The directors of the Charity's trading subsidiary TCV Employment and Training Services Limited have decided not to bid for new contracts and to terminate or transfer to the Charity all existing contracts, with agreement from funding bodies and following completion of notice periods.

Whilst the directors of E&TS have prepared E&TS' entity financial statements on a going concern basis, believing it has sufficient resources to settle all its obligations as they fall due, the Directors of the Charity consider the present value of future cash distributions from E&TS to the Charity to be highly uncertain. The carrying value of the Charity's investment in E&TS has therefore been fully written down to £nil in the 31 March 2017 Charity balance sheet, from a carrying value of £500,000 at 31 March 2016. The Charity received £341,000 of Gift Aided profits from E&TS during the current year.

The investment carrying value is eliminated on consolidation, and so the Group balance sheet is unaffected by the change in carrying value. If a reasonably certain estimate could be made of the future cash flows receivable from E&TS, the investment in the Charity balance sheet would be carried at the present value of these receipts, rather than being written down to £nil.

Schedule of restricted grants

The funds of the Group and the Charity include the following unexpended balances of donations and grants held on trust to be applied for specific purposes.

	Opening balance £'000	Income £'000	Expenditure £'000	Closing balance £'000
Big Lottery Fund				
Reaching Communities Programme (RC/0010235598): youth engagement project for hard to reach groups of 16-25 year olds to volunteer in the wider community in Cumbria.	60	107	(167)	-
access2nature (RC/5/010454339): to improve the life prospects and wellbeing of 18,500 people in Leeds facing multiple disadvantages, by providing social, learning and volunteering opportunities in the natural environment.	10	61	(63)	8
Coastal Communities Fund (10245795): to improve the 60 mile Solent Way coastal path	3	215	(210)	8
Portdown Plotters (10281177): therapeutic horticulture to engage 18-30 year olds in Portadown and Craigavon.	-	10	(10)	-
British Council				
Youth in Action Programme (2015-2-UK01-KA105-014007): supporting European volunteers in Scotland and Northern Ireland.	5	5	(1)	9
City Bridge Trust				
Providing horticultural work training and business support to young offenders in London.	-	3	(3)	-
Colchester Borough Council				
To enable people in Colchester district who are socially excluded or disadvantaged to have increased opportunities to enjoy, engage and benefit from the natural environment.	-	12	(12)	-
Department of Health				
Pro-Active Minds: in partnership with MIND, promoting individual resilience and wellbeing for people at risk of developing a mental health condition or presenting with emotional distress.	-	204	(204)	-
East Sussex County Council				
Health Walks: to support people who experience health inequalities to lead healthier lifestyles through a programme of health walks.	-	43	(43)	-
Esmée Fairburn Foundation				
Natural Talent (13-1109 and 16-1066): Supporting apprentices undertaking outreach and citizen science in local communities.	-	314	(159)	155
Glasgow & Clyde Valley Green Network				
To support the appointment of a Community Engagement Officer at Seven Lochs Wetland park.	10	-	(10)	-
Community rewilding project in Upper Greenock, Clydebank and Yoker.	5	10	(5)	10
Balance carried forward	93	984	(887)	190

Schedule of restricted grants

	Opening balance £'000	Income £'000	Expenditure £'000	Closing balance £'000
Balance brought forward	93	984	(887)	190
Heritage Lottery Fund				
Kent Heritage Trees (YH-08-12581): promotion of the value of heritage trees across Kent, through a variety of courses, practical action events, educational activities and identification and recording of ancient and veteran trees.	15	81	(96)	-
Natural Heritage Training (HG-10-05267): providing three year training and skills development programmes in Northern Ireland.	-	67	(67)	-
Natural Network (SF-12-07058): involving communities in developing sites essential for conservation of biodiversity.	14	360	(374)	-
Eardley Road Sidings Nature Reserve (OH-14-08762): working with London Borough of Lambeth, to restore an important natural grassland and railway heritage site.	14	40	(54)	-
Themelthorpe Natural Connections (OH-15-02238): working with Norfolk Wildlife Trust and the Countryside Restoration Trust, to carry out habitat restoration in Themelthorpe, Norfolk.	15	16	(19)	12
Community Rewilding (OH-16-02537): engaging new audiences to improve local green spaces in Upper Greenock, Clydebank and Yoker.	-	35	(19)	16
Young Roots (YR-15-03346): helping young people with disabilities from Trafford discover, explore and conserve the natural heritage of Sale Water Park.	-	25	(11)	14
Reviving Hampshire's Community Ponds (OH-13-12701): enabling community groups and local people to engage with their local natural heritage and history.	-	42	(31)	11
North Walsham's Natural Riches (OH-15-04517): increasing community engagement with local transport and wildlife heritage.	-	26	(6)	20
Nature Connections (YR-15-04229): developing a wildlife area and building awareness and skills to engage with nature at Auchengillan Outdoor Centre Scout Camp.	-	25	(5)	20
Imperial College				
Open Air Laboratories (LFEMR P47693): research programme to better understand and monitor the environment.	-	22	(22)	-
Landfill				
(EB780196) The completion of various projects to help mitigate the impact of landfill on local communities in England.	21	44	(65)	-
(EB786082) The completion of various projects to help mitigate the impact of landfill on local communities in Northern Ireland.	-	6	(6)	-
(EB508053) The completion of projects to help mitigate the impact of landfill on local communities in Scotland.	4	30	(34)	-
Leeds City Council				
Play Enabling Grant: supporting playscheme activities at Skelton Grange.	-	4	(4)	-
Leeds Mind				
Big Lottery Fund Reaching Communities (10267124) Outdoors Active and Well: environmental and peer support project for adults with experience of mental ill health.	-	42	(38)	4
London Borough of Croydon				
To support projects in the borough.	-	20	(19)	1
Balance carried forward	176	1,869	(1,757)	288

	Opening balance £'000	Income £'000	Expenditure £'000	Closing balance £'000
Balance brought forward	176	1,869	(1,757)	288
London Borough of Richmond upon Thames				
CVS Grants Direct (27/782): to deliver practical conservation projects in the London Borough of Richmond upon Thames.	-	18	(18)	-
Mid Sussex District Council				
To provide support to Friends groups in the district and to assist with conservation related work (PLE022218).	-	6	(6)	-
MIND				
Get More out of Life	-	7	(7)	-
Mondelēz International Foundation				
Health for Life: to develop, with local community members, amenities and activities that will facilitate health improvements and environmental improvements to local community members of five wards in South Birmingham.	-	256	(256)	-
Nesta				
SAIF grant: to develop a discrete team and business unit to grow TCV's Green Gym on a strategic basis.	298	-	(233)	65
Green Gym Ageing Well scaling grant: to support research into Ageing Well of Green Gym and to identify associated scaling strategies.	6	-	(6)	-
Northern Ireland Environment Agency				
(NEF21): habitat and landscape management at South Sperrins and north coast of Northern Ireland.	-	31	(31)	-
Northern Ireland European Social Fund				
Training for Employment Programme (2015 - 2020).	-	117	(117)	-
People's Health Trust				
Local People Programme: to establish and develop local community groups in areas of multiple deprivation across six locations.	186	321	(361)	146
People's Postcode Trust				
Promotion and advancement of environmental protection, improving wetlands and co-operation from local communities.	2	-	(2)	-
Postcode Local Trust				
Nature Connections (PLT162188): developing a wildlife area and building awareness and skills to engage with nature at Auchengillan Outdoor Centre Scout Camp.	-	10	-	10
Reflections of Spring (PLT161041): reconnecting children with nature through replanting of bluebell and primrose meadows along the Kennet and Avon Canal.	-	16	(15)	1
Balance carried forward	668	2,651	(2,809)	510

Schedule of restricted grants

	Opening balance £'000	Income £'000	Expenditure £'000	Closing balance £'000
Balance brought forward	668	2,651	(2,809)	510
Public Health Agency				
Green Gym Protect Life: projects delivered in South East Belfast.	-	14	(14)	-
Western Green Gym: to establish, develop and deliver the Green Gym, and Fruit and Veg Green Gyms, in Western Belfast.	-	92	(91)	1
Green Gym Dig it and Eat it Programme: to improve the environment whilst improving mental and physical health, skills and nutrition.	-	89	(84)	5
Southern Green Gym: to develop and provide support to local communities in developing and maintaining community gardens and allotments in Southern Belfast.	-	44	(44)	-
REACH Project				
Southern Health and Social Care Trust (NSW/2/010311915): to facilitate project management of the Green Gym, as an integrated element of the REACH project in Northern Ireland.	5	-	(5)	-
Scottish Council of Voluntary Organisations				
East Dunbartonshire Green Gym (BHH02): building healthier and happier communities.	1	-	(1)	-
Scottish Government				
Citizen Science: to support the running of Citizen Science projects, to increase awareness of flood risk among communities and school pupils.	34	-	(25)	9
River Monitoring: citizen science programme increasing awareness of flood risk on the Hillfoots Burns.	-	15	-	15
Scottish Natural Heritage				
Concordat & Framework Agreement: supporting volunteer activity days across Scotland.	-	359	(359)	-
Scotland Counts (53975): Citizen Science Programme.	3	15	(18)	-
The Earley Charity				
To deliver a trainee Volunteer Officer programme in Berkshire.	14	45	(38)	21
Wheatley Group				
To develop health and environmental improvements for the Wynford Estate community (CT214418).	-	57	(57)	-
Other restricted revenue grants and donations	388	971	(1,168)	191
Restricted capital grants	907	-	(45)	862
Total Group restricted funds	2,020	4,352	(4,758)	1,614

Schedule of conditional grants

During the year, the following organisations supported The Conservation Volunteers' activities. It is a condition of the provision of these funds that they are separately disclosed in this Annual report and Financial Statements.

BAA Glasgow Community FlightPath Fund
 Calouste Gulbenkian Foundation
 Edinburgh Trust
 Forestry Commission Scotland
 Leeds City Council Parks and Countryside
 Leeds City Council Adult Social Care
 Leeds City Council Employment and Skills
 Leeds Clinical Commissioning Groups Network
 Leeds Community Foundation
 National Grid
 North Lanarkshire Council
 Peacock Charitable Trust
 Postcode Community Trust
 Pye Charitable Trust
 Tesco Bags of Help - Groundwork UK
 The Ashden Trust
 The Linley Shaw Foundation
 The RS MacDonald Charitable Trust
 The Sir Hugh and Lady Ruby Sykes Charitable Trust



TCV has a Vision of Healthier, Happier Communities for Everyone, and we aim to achieve this by working together with people, communities and partners to deliver practical actions that have a lasting impact on people's health, prospects and outdoor places.

Complementing TCV's core work is a network of community groups that regularly work with TCV to organise outdoor and learning activities aimed at bringing the community together tackling social isolation and loneliness, and putting local people in control of their own prospects and outdoor places.

The Conservation Volunteers give their time, energy and enthusiasm to transform local areas for the benefit of the whole community. Through your generosity, we can provide the training, support and equipment to help them achieve even more.

Please make a donation today to support our valuable work.

Visit www.tcv.org.uk/donate

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The Conservation Volunteers, a registered charity in England (261009)
and in Scotland (SCO39302)

* Green Gym™ is an internationally registered trade mark of TCV.

