

Company number: 3162873

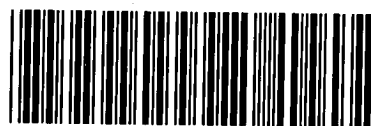
Charity number: 1053806



**Community Action Hampshire**  
**Report and Financial Statements**

**31 March 2019**

THURSDAY



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## **Community Action Hampshire**

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**For the year ended 31 March 2019**

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## Community Action Hampshire

### Reference and administrative details

For the year ended 31 March 2019

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#### Reference and Administrative Details

Charity Number: 1053806

Company Number: 3162873

Registered Office: Westgate Chambers, Staple Gardens, Winchester, SO23 8SR

Telephone: 01962 854971 Fax: 01962 841160

Website: [www.actionhampshire.org](http://www.actionhampshire.org) Email: [info@actionhants.org.uk](mailto:info@actionhants.org.uk)

#### Our advisers

Independent examiner: Helen Elliott, Sayer Vincent LLP, Invicta House, 108 – 114 Golden Lane, London EC1Y 0TL

Principal bankers: Unity Trust Bank plc, Nine Brindley Place, Birmingham B1 2HB

Solicitors: Blake Morgan, New Kings Court, Tollgate, Chandlers Ford, Eastleigh, SO53 3LG

#### Directors and trustees

The directors of the company in office during the year and up to the date of this report, who are trustees for the purposes of charity law, were:

Oliver Rowe (Chairman, Chairman Finance Committee)

John Bonney

Colin Brown

Martin Collett – resigned 3 October 2018

Margaret Geary

Jennifer Meadows – resigned 15 July 2019

Richard Osmond – resigned 19 November 2018

Rosalind Rutt

Elizabeth Trevor – resigned 26 July 2018

Steven France-Sargeant – resigned 22 May 2019

Savannah King

Alexander Shapland – resigned 18 September 2019

Tim Mason – appointed 3 October 2018

Michael Southgate – appointed 20 March 2019

Alexandra Clements – appointed 4 September 2019

Vice President: Brian Challis

Company Secretary: Sarah Hurford-Potter

#### Key management personnel

##### **Senior Management Team**

Chief Executive Officer

Sue Dovey

Head of Services

Kirsty Rowlinson

Head of Finance and Contracts

Sarah Hurford-Potter

Head of Enterprise

Nikki Prentice-Jones

## **Community Action Hampshire**

### **Report of the trustees**

**For the year ended 31 March 2019**

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#### **Report of the Trustees**

The trustees are pleased to present their annual trustees' report together with the financial statements for the charity for the year ended 31 March 2019.

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

#### **Our Purpose and Activities**

The objectives of the charity are:

- To promote any charitable purpose for the benefit of the community within Hampshire and in particular the advancement of education, the protection of health and relief of poverty, distress and sickness;
- To promote and organize co-operation in the achievement of the above purposes and to that end to bring together representatives of the statutory authorities and voluntary organisations engaged in the furtherance of the above purpose.

Our vision is of a strong not-for-profit sector in Hampshire, with a mission to help and inspire the not-for-profit sector to be the best it can be. All of our work is driven by and underpinned by our values:

- Enterprising
- Empowering
- Bold
- Informative

The trustees have given due regard to public benefit when planning the charity's activities, in accordance with Sections G2 and G3 of the Charity Commission's General Guidance on Public Benefit (January 2008).

The charity benefits organisations and communities by helping to provide the skills, knowledge, resources, advice and information needed to fully realise potential. These benefits are directly related to the aims of the charity and are fully compliant with Principles 1 and 2 of the Charity Commission Principles on Public Benefit.

Our key charitable activities can be summarised in five main categories:

- i) Support for Voluntary & Community Groups;
- ii) Support for Communities (including Affordable Housing in rural communities and community buildings advice);
- iii) Policy & Information;
- iv) Social Enterprise;
- v) Engagement & Research.

## **Community Action Hampshire**

### **Report of the trustees**

**For the year ended 31 March 2019**

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#### **Achievements and Performance**

##### **1. Support for Voluntary and Community Groups**

###### ***Membership***

Action Hampshire members can benefit from a range of offers, including one to one meetings with CEO Sue Dovey, membership of our Community Buildings Advice Service, submissions to our fortnightly Jobs and Volunteering Bulletin and a discount on our room hire costs.

###### ***Action Hampshire publications***

In December 2017, following feedback, we condensed our publications into one newsletter; making it easier for readers to keep up to date with information and news. This new format is sent out twice monthly to over 800 contacts. It has been well received and our analytics show it is open and read much more regularly than any of our previous publications.

###### ***Staying connected***

Action Hampshire has supported a number of networks within the not-for-profit sector:

- Hampshire Leadership Forum
- CEOs network
- Hampshire Equalities Group
- Airbrick Network (Social Entrepreneurs network)
- Community Buildings Networks covering all of Hampshire's 11 districts (we organize a network covering 3 districts, the district CVSs and a local authority organise the other networks with our support)

We also established an online platform for members to discuss, debate and swap ideas on topical voluntary sector news, inspiration and challenges. To date, 226 people have signed up to this service. The community buildings section has been particularly active, with members sharing ideas on a range of issues regarding the day-to-day operation and management of village halls, community centres and similar buildings.

Action Hampshire has provided support to sector representatives on:

- Hampshire Health & Wellbeing Board
- The Hampshire Partnership (formerly the Hampshire Senate)
- Enterprise M3 (Local Economic Partnership) Board
- Hampshire PREVENT Board
- Hampshire Safeguarding Children Board
- Hampshire Safeguarding Adults Board
- Hampshire Children's Trust Executive Board

It is also important to be involved with and link into external groups and partnerships in order to keep our finger on the pulse with what is happening in our community and provide a voice for the not-for-profit sector and communities. Over the past year Action Hampshire staff have been involved with:

- Fieldfare LEADER Programme Local Action Group

## Community Action Hampshire

### Report of the trustees

#### For the year ended 31 March 2019

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- Loddon and Test LEADER Programme Local Action Group
- Hampshire Alliance for Rural Affordable Housing (HARAH)
- Hampshire Rural Forum (Trustee Rosalind Rutt is a member of the Steering Group)
- Hampshire Community-led Housing Partnership
- Action with Communities in Rural England (ACRE)
- Winchester Villages Trust

During the year, Action Hampshire provided the secretariat role for the Hampshire Rural Forum. In addition to organizing meetings and workshops, Action Hampshire produced regular updates on policy developments, consultations and events of interest to the Rural Forum members.

#### ***Fratton Big Local***

Action Hampshire is the “Locally Trusted Organization” for Fratton Big Local (FBL) – a £1,000,000 10 year project aimed at regenerating the Fratton area. This means we are supporting the Fratton Big Local board with community developments, finance and project management expertise that will support them to invest in the future of Fratton. The Big Local programme is managed nationally by Local Trust, and is funded by the Big Lottery Fund.

The FBL partnership has continued to support the Fratton Road Traders Association and worked with them to organise the second Fratton Family Festival, approximately 10,000 people attended the event throughout the day. The southern end of Fratton Road was again closed off for a whole day and filled with stalls, activities, games, small children’s rides and lots of music and other entertainment.

Other FBL activities during the year included:

- Festival of Lights: Lantern workshops were carried out prior to our ongoing annual event, with addition this year we had Neon Arts made which were displayed on the Church on the night of the festival, this event continues to be well liked and many locals attend.
- Big Celebration: With the opening of Kingston Rec we held an event called the Big Celebration which was linked to the previously known Big Lunch event, where we had a parade from Fratton Community Centre to Kingston Recreational Ground where we had entertainment and activities alongside a picnic theme with many locals attending.
- Open Spaces: This has now been completed and is open to the public, containing brand new play equipment for a wide age range, with addition of Table tennis tables. Various Play Local activities were held whilst it was being built to engage children during holidays whilst the playground was closed.
- May Fayre: FBL took over the inside of St Mary’s church and offered a number of local charities and groups an opportunity to raise funds by running games and activities as well as publicising what they do.
- One day in Fratton: A short story competition, which was then judged by Ali Sparkes, which went well.
- Youth Project: Pompey in the Community continue to provide the Youth project and assisting us at various events over the year.
- Community Grants: Various grants have been given, and in addition, this year we allocated £2000 towards paying for room hire at Fratton Community Centre.
- ESOL project: FBL continued to provide ESOL classes prior to the summer at Penhale and also at Fratton Community Centre.
- Property on Clive Road: We did some research on this legacy option over the year, and it has been decided not to pursue this idea.

## **Community Action Hampshire**

### **Report of the trustees**

**For the year ended 31 March 2019**

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#### **CYP Network (formerly The Alliance)**

During the year the decision was made to pass the balance of the Alliance funds to the Hampshire & Isle of Wight Community Foundation (HIWCF). The HIWCF awarded grants to 16 smaller charities and community groups to support vulnerable children, young people and families in crisis or living in poverty. The Fund helped to empower people in disadvantaged communities by supporting family networks, building community cohesion and providing advice, information and counselling for those who are struggling with issues such as mental health problems or health and wellbeing.

#### **2. Support for Communities**

##### ***New homes***

Action Hampshire is a member of the HARA Housing Partnership and employs two Rural Housing Enablers funded by the partnership. Highlights of the year included a meeting with Kit Malthouse, the current Housing Minister, which allowed us to promote our enabling work with rural communities within his own constituency and across rural Hampshire. The housing enabling work undertaken by RHE's has helped to build 500 rural affordable homes across Hampshire since the housing partnership began in 2005.

In November, RHE's helped deliver and organize the CPRE Rural Affordable Housing Conference by providing a presentation and a stall at the event promoting our work. The event was well attended.

In March, we also provided a stall and support at the launch of the Hampshire Community Led Housing Partnership event at Winchester Guildhall and a further event with Hart District Council. Both events were promoting Community Led Housing in Hampshire. This work demonstrates the close working arrangements of both the RHE post and the Community Led Housing officer post within Action Hampshire and also the close working of the two housing partnerships.

Rural Housing Enablers helped provide 15 new affordable homes in Wonston parish in this year. All the homes were prioritised for people in housing need with a local connection to their parish. These schemes not only allow people to stay or return to their community but help to deliver vital investment into rural Hampshire. In addition, 53 homes are either on site or going through the planning process and will deliver new affordable homes over the next two to three years.

In January we helped organise an opening event in Shedfield Parish to celebrate the completion of 13 new affordable homes for local people. The year ended with a ground breaking event in Pamber Parish attended by the local MP Ranil Jayawardena to celebrate breaking the soil for a new scheme which will deliver 12 homes for local people in 2020.

The Rural Housing Enablers carried out 6 housing need surveys and worked with 7 new parish councils in this year. We also carried out a further 3 community consultation events on new schemes which are in the process of being designed. In total we worked with over 40 parishes on schemes at all stages of the development process.

##### ***Community-led Housing***

In 2017 a number of local authorities received government funding to deliver community led housing schemes in their areas. East Hampshire, Hart, Winchester and Havant pooled a proportion of this funding to form the Hampshire Community Housing Partnership (HCHP) and fund a Community Housing Officer post. A Community Housing Officer was appointed in October 2017 working with community groups to bring

## **Community Action Hampshire**

### **Report of the trustees**

#### **For the year ended 31 March 2019**

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forward housing projects in these four areas. More recently, the New Forest District Council has commissioned a similar service from the HCHP. There is another round of funding to which the HCHP plans to submit a bid. Success would enable the HCHP to operate throughout the county. The HCHP has been involved in a number of community led housing projects since it became operational in October 2017.

#### **East Hampshire District:**

- A Community Land Trust (CLT) has recently been formed in Liss to provide homes for local families at 50% open market value. Residents living in an existing Cohousing community in Thedden Grange, Beech wish to build some age appropriate homes in their grounds as their current family homes are no longer suitable. This innovative and well established community that is 43 years old will be lost if residents are unable to access suitable accommodation within their grounds. We are helping the group apply for planning permission for these homes and the site has recently been allocated as a 'windfall opportunity' in the district's land availability assessment. An existing CLT in Petersfield has recently submitted a planning application for self-build affordable homes in the town.

#### **Winchester District**

- An existing CLT in Wickham is currently embarking on their second phase. Three events have been held in Winchester District for potential self and custom builders. These three events and a subsequent questionnaire has identified a number of people interested in embarking on a collaborative self/custom build housing project. We have also been contacted by a number of landowners and agents in the district interested in pursuing a collaborative self/custom build scheme on their land.

#### **Hart District**

- Working with a local business called Memiah Ltd in Hart District. Memiah Ltd is interested in building a rural HQ in a village in the district providing affordable self/custom build homes for their employees and local residents. A drop in event was held in Hart District in February to publicise community led housing.

#### **Havant Borough**

- Assisting a CLT group in Emsworth to deliver some affordable homes and there is potential for the group to work in partnership with the YMCA.

#### **New Forest District**

- A Cohousing community has recently been set up in New Forest and we are working with them, visiting local parish/town councils and looking for sites.

Work is also ongoing to try and roll out the Cohousing model across the county and is liaise with officers at Hampshire County Council Adult Services. There is also potential to promote joint self-build affordable housing projects with the Hampshire Alliance for Rural Affordable Housing (HARAH). A community led housing Launch Event was held in Winchester in February, attended by approximately 100 professionals from all over the county.

### ***Community Buildings 2017-18***

Our Community Buildings Officer continues to give guidance and information to anyone involved with a community building in Hampshire. Most of our news is now sent out in one amalgamated bulletin; the Community Buildings Officer contributed 37 items to these bulletins over the year.



## **Community Action Hampshire**

### **Report of the trustees**

#### **For the year ended 31 March 2019**

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We continue to work with colleagues in the district Councils for Voluntary Service and Borough / District Councils to run local networks for community buildings. These are now established across all of Hampshire's 11 districts. The networks have helped community building trustees and staff to form helpful links with counterparts at other organisations, and they have enabled us to make fresh connections with several organisations across the county. The online networking we offer to community buildings (and other organisations) through the Basecamp system continues to flourish, with 71 representatives (up from 48 at end of 2017-18) from Hampshire community buildings signed up to use the system as at 31 March 2019.

Three 'Funding Your Community Building' sessions were held, with 26 attendees in total (17 rated the session as 'Excellent', 9 'Good').

We ran two sessions organised by our CVS partner, Community First. CIO / CIC legal structures for community buildings in Havant on 31 Jan, Becoming a CIO / CIC (all organisations, not just community buildings) in Fareham on 28 Feb.

We also ran a workshop at our AGM on 15 Nov, giving community buildings representatives an overview of grant applications, recruiting trustees and other volunteers, and marketing their venue.

#### ***Rural 2018-19***

The Hampshire Rural Forum continued through 2018-19, with three steering group meetings and a 'hot topics' workshop after each meeting. The Forum contributed to the evidence-gathering stage of Hampshire County Council's 2050 Vision (specifically to the Rural Strategic Theme). Action Hampshire also submitted evidence directly.

Action Hampshire is represented on the steering group by Action Hampshire trustee Rosalind Rutt. The Forum's aim is to enable Hampshire's rural communities to become more visible, effective and sustainable socially, economically and environmentally. Action Hampshire continues to provide the secretariat role for the Forum.

Action Hampshire continued its representation on the Local Action Group for Fieldfare and Loddon & Test LEADER programmes, which offer grants to rural businesses and organisations. Our role is to ensure that rural communities benefit from the programmes.

### **3. Social Enterprise**

#### **The School for Social Entrepreneurs**

We recruited our seventh cohort of 20 social entrepreneurs, who started their Lloyds start-up programme in September 2018. To date, they have completed 6 study days, 2 action learning sessions and mentor sessions. The learning programme continues to be delivered by a range of experts within their fields, peer-to-peer sessions and 121 sessions with a business mentor from the funders Lloyds Bank Foundation. Their social business ideas range from art workshops to promote mental health and wellbeing in young adults; counselling services for carers of relatives/family/partners with long term illnesses, mental health or dementia; online fostering service comparison service tool to enable the foster carer community to identify and connect with the best fostering service and a project working with schools and colleges to develop body positivity.

Our previous fellows successfully graduated in October 2018 and attended a 'red carpet' celebration event at the Winchester Hotel & Spa.

## Community Action Hampshire

### Report of the trustees

#### For the year ended 31 March 2019

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The recruitment to the eighth cohort which commences in September 2019 is in full swing – the social enterprise team has run 4 taster/information sessions in Winchester, Basingstoke, Salisbury & Portsmouth, 41 completed applications have been submitted – 32 of which have been invited to attend for interview.

Recruitment for the second year of the SSE Community Business Trade Up, funded by Power to Change is almost complete. Our previous cohort completed their programme in July 2018 – Danny one of our graduates highlighted his experiences on the programme:

*"It is an absolute pleasure to be able to champion the CBTU Program in our locality and we already have people asking to attend.*

*We over the border here in Sussex relish the opportunity to work more with yourselves and the SSE and I hope/know that this WILL be a success.*

*Thank you for the success that your training and opportunities have brought to us as the CBTU is not just for one year....*

*It stays with you long after...  
It enables you to reach further...  
It empowers you to do more for many...*

*The CBTU Program has been an experience that I am thankful for in so many ways"*

#### Inspiring Enterprise Programme

The programme, funded through the National Community Fund and European Social Fund through their Building Better Opportunities project has been extended for a further 2 years, after the success of the original programme. Within the period 2016-2018, over 500 participants have benefitted through the programme, which supports people who are not in employment to consider self-employment and setting up their own businesses. This programme is delivered across the Enterprise M3 Area in partnership with Surrey Community Action, WSX Enterprise and the University of Winchester. Action Hampshire is the only partner in the programme offering social enterprise support.

We continue to keep in touch with students, former fellows and other social entrepreneurs through our social enterprise newsletter, Basecamp and social media.

#### Enterprise4Change

Action Hampshire is working in partnership with Community Action Isle of Wight to generate interest in social enterprise on the Island. We'll be delivering an introduction to social enterprise session to generate interest, followed by a programme of workshops that cover the building blocks for new social entrepreneurs. The initial Enterprise4Change event took place on Tuesday, 30 April 2019.

#### 4. Research and Engagement

Over the past year, Action Hampshire has continued to develop and broaden its research and engagement remit. We are particularly pleased to have competitively tendered for and won a project evaluation for Citizens Advice. Evaluation is an area that we have been trying to develop, but struggling with due to our lack of an evaluation track record. We feel this will stand us in good stead, particularly as Citizens Advice are such a known and respected brand. We were also delighted to have competitively tendered for and won the Wessex Cancer Alliance work, which we hope will lead to further investment and open doors with a variety of public health agendas.

## **Community Action Hampshire**

### **Report of the trustees**

**For the year ended 31 March 2019**

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#### **Voluntary sector**

We have carried out two significant pieces of research related to the voluntary sector in 2018/19:

- A customer feedback survey about the work of the Hampshire CVS network
- A survey of voluntary sector organisations regarding their experiences of local commissioning practices

This work was carried out under our Hampshire County Council contract, managed by Community First Wessex.

#### **Housing Need Surveys**

Many rural communities have asked for quotations for housing need surveys to be carried out. During 2018/19, none of these have come to fruition unfortunately, but this is not entirely surprising due to the extremely long timescales involved in housing development. We have hopes that a proportion of these quotations will eventually be commissioned.

However, we are investigating the possibility of monetising these surveys in a slightly different way, with developers paying for data from 'off the shelf' previously commissioned surveys.

#### **Evaluations**

Our evaluation work has expanded somewhat this year, having been commissioned to carry out two evaluations:

- A market feasibility study for PALs (a small autism charity)
- A programme evaluation for Citizens Advice's new service "Joining Forces for Families"

#### **Wessex Cancer Alliance**

We were successful in securing a significant project for Wessex Cancer Alliance. This is largely a grant-giving programme supporting cancer prevention and early diagnosis in seldom heard communities.

#### **Community engagement**

We are carrying out an ongoing project with community buildings, funded by Scottish and Southern Energy's "Resilient Communities Fund" to assist community buildings to open as an emergency place of safety, enabling them to play a part in their community's resilience.

We are also delivering a 'Warm Hubs' project, also funded by an energy supplier.

#### **Financial Review**

##### **Net Incoming Resources**

Unrestricted funds show net incoming resources for the year of £17,630 after accounting for an actuarial gain on the pension fund of £230,000, and a gain on investments of £163,331, and transfers to restricted funds of £22,886. Restricted funds show net incoming resources for the year, before transfers as above of £26,237.

The charity received funding from Hampshire County Council, totaling 9% (2018: 11%) of its grant income for the year. A further 6% (2018: 7%) of grant income was provided by Defra via an agreement with Action with Communities in Rural England. Grants from all sources represent 72% (2018: 82%) of the charity's total incoming resources.

## **Community Action Hampshire**

### **Report of the trustees**

#### **For the year ended 31 March 2019**

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The statement of financial activities shows income and expenditure in respect of each of the charity's main areas of activity.

#### **Reserves and investment policies and going concern**

The charity's reserves increased significantly in early 2014 as a result of the sale of its single major asset, Beaconsfield House. Before the sale this had been Action Hampshire's operational base. The sale proceeds were invested in a planned way to support and develop the organisation, securing its ability to meet the needs of current and future members in an increasingly difficult financial environment, and also to fund the ongoing cost of its leased premises at Westgate Chambers.

In August 2013 the Board appointed CCLA as external investment managers and takes their advice in investment strategy. Long term investments have been made in a range of CCLA funds, with the object of securing a sustainable income while maintaining capital value. CCLA reports regularly to the Investment Group and to the Board. Investment income from CCLA of £101,769 met the income target for the financial year. The portfolio performance, calculated on changes in asset values with income reinvested, was 9.5% for the financial year, compared to RPI of 2.5% for the same period. This met the requirement to maintain capital value. Full details of the 2018-19 performance are given in the financial statements at note 13. In calendar year 2019 the forecast annual investment income is £100,000.

The Board maintains current accounts with Unity Trust Bank plc and Lloyds Bank plc.

The charity aims to maintain free reserves at a minimum of six months of budgeted, unrestricted expenditure. At 31 March 2019, after taking into account the pension scheme liability, unrestricted reserves were £994,617. Of these £10,340 related to fixed assets. Designated funds totaling £960,063 were held in respect of premises lease and maintenance, general business development and SSE Hampshire development.

The remaining free reserves of £24,214 represent less than 1 month of unrestricted expenditure. The trustees intend to build the free reserves up to six months of unrestricted expenditure.

Restricted funds are designed to be self-sufficient and to support themselves from their own reserves.

#### **Plans for Future Periods**

Traditional grant income, from both local and national government, has declined by approximately 80% over the last 5 years. We are further assuming that it will reduce further and may be gone completely in future years. Work has been underway for a number of years to reduce the organisation's reliance on grant income, and the senior management team continues to work on diversifying its income streams.

In March 2016, the Board of Trustees approved plans to establish a trading arm to enable the organisation to clearly separate the charitable and business activities. In early 2019 the decision was made to move this focus back into Action Hampshire. A Head of Enterprise, a Commercial Development Manager and a Marketing and Digital Communications Officer have been appointed.

## **Community Action Hampshire**

### **Report of the trustees**

**For the year ended 31 March 2019**

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#### **Structure, Governance and Management**

##### Governing Document

Community Action Hampshire, whose operating name is Action Hampshire, is a company limited by guarantee and is a registered charity. It was incorporated in 1996 and was previously an unincorporated association formed in 1951. Full voting members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of a winding up. The total number of such guarantees at 31 March 2019 was 537 (2018:523).

Action Hampshire has 537 full voting members within the total membership of 1,077.

Schedule A members comprise incorporated not-for-profit organisations. Unincorporated not-for-profit organisations are Schedule B members. Schedule C members cover public and private sector, national not-for-profits with no Hampshire presence and individuals who are not covered by Schedule B.

The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The governing document is the company's Articles of Association, a single document adopted at a general meeting held in November 2009 to reflect the Companies Act 2006. Revised and updated Articles of Association were adopted at the Annual General Meeting in November 2013, but with no change to the charity's objects.

##### Recruitment and appointment of trustees

When recruiting trustees, the organisation ensures that the Board has a comprehensive range of skills and that the trustees come from all areas of Hampshire.

Trustees elected for the first time must be proposed by a member. Members elect trustees at the Annual General Meeting. The number of trustees shall not exceed fifteen nor be less than nine, of whom a simple majority must be elected. At 31 March 2019, there were 11 trustees. The trustees may act notwithstanding any vacancies in their number.

In accordance with the Articles of Association, one third of the non-co-opted trustees stands down at the Annual General Meeting and can seek re-election. No trustee may serve continuously for more than nine years unless holding the office of chairman. Trustees can be co-opted by elected trustees; they leave office at the Annual General Meeting following their co-option unless re co-opted.

##### Induction and training of trustees

New trustees receive a full, planned induction. They are fully briefed on their legal responsibilities under charity and company law, the content of the Articles of Association, the committee and decision making processes, the business plan, and recent financial performance of the charity. During the induction period they meet key employees and other trustees. All trustees are expected to attend trustee training events and, when possible, organisational training events and away days.

##### Organisation

The Board of trustees is responsible for setting the overall direction and policies of the organisation. The Board also has a Finance Committee and an Investment Group. The Chief Executive is responsible to the Board for the implementation of policies and decisions.

## **Community Action Hampshire**

### **Report of the trustees**

**For the year ended 31 March 2019**

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#### Related parties

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with any supplier or contractor must be disclosed to the full Board of trustees in the same way as any other contractual relationship with a related party. In the current year, no such related party transactions were reported.

#### Pay policy for senior staff

The Board of trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give their time freely and no trustee received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in note 8 to the accounts.

The pay of senior staff is reviewed annually and normally increased in accordance with cost of living increases, when finances allow. All staff are entitled to annual increments within a salary range set out in their contractual terms when joining the organisation.

#### Risk Management

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity faces
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise

This work has identified that financial sustainability is the major financial risk for the charity. Active management of the charity's working capital and regular cash flow forecasting are key elements in the management of this risk, drawing down on earnings from long-term investments when needed. More strategically, the Board has established a working group responsible for enterprise and developing a tangible business plan for diversifying income streams in the medium to long-term.

Attention has also been drawn to non-financial risks arising from shortfalls in staffing, governance and legal obligations. These risks are managed by having robust policies and procedures in place across all operational areas.

#### **Trustees' responsibilities in relation to the financial statements**

The trustees (who are also directors of Community Action Hampshire for the purposes of company law) are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accountancy Standards (United Kingdom Generally Accepted Accounting Practice).

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the charities SORP

## Community Action Hampshire

### Report of the trustees

#### For the year ended 31 March 2019

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- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

By order of the Board of trustees



Oliver Rowe  
Chairman  
18 September 2019

## **Independent examiner's report**

### **To the members of**

#### **Community Action Hampshire**

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I report to the charity trustees on my examination of the accounts of Community Action Hampshire for the year ended 31 March 2019.

This report is made solely to the trustees as a body, in accordance with the Charities Act 2011. My examination has been undertaken so that I might state to the trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the trustees as a body, for my examination, for this report, or for the opinions I have formed.

### **Responsibilities and basis of report**

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

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the requirements of Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended) and the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### **Independent examiner's statement**

Since the Company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accounts in England and Wales, which is one of the listed bodies.

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

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



## **Independent examiner's report**

**To the members of**

**Community Action Hampshire**

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

Helen Elliott FCA

Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

7 October 2019

# Community Action Hampshire

## Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2019

	Note	Unrestricted £	Restricted £	2019 Total £	2018 Total £
<b>Income from:</b>					
Donations and grants	3	72,437	-	72,437	80,496
<b>Charitable activities</b>					
Support for Voluntary & Community Groups	4	-	228,249	228,249	351,906
Support for Communities	4	960	266,762	267,722	250,071
Policy & Information	4	42,969	-	42,969	27,093
Support for Social Enterprise	4	82	215,598	215,680	158,287
Engagement and Research	4	10,059	-	10,059	8,645
Grant Making	4	-	5,608	5,608	(2,128)
<b>Investments</b>		101,769	-	101,769	119,336
<b>Total income</b>		<b>228,276</b>	<b>716,217</b>	<b>944,493</b>	<b>993,706</b>
<b>Expenditure on:</b>					
Raising funds	5	-	21,832	21,832	24,099
<b>Charitable activities</b>					
Support for Voluntary & Community Groups	5	91,739	233,076	324,815	554,696
Support for Communities	5	133,970	211,454	345,424	323,756
Policy & Information	5	149,903	-	149,903	111,194
Support for Social Enterprise	5	112,097	215,334	327,431	274,913
Engagement and Research	5	93,107	64	93,171	140,241
Grant Making	5	275	8,220	8,495	11,154
<b>Total expenditure</b>		<b>581,091</b>	<b>689,980</b>	<b>1,271,071</b>	<b>1,440,053</b>
<b>Net income/(expenditure) before net gains / (losses) on investments</b>		<b>(352,815)</b>	<b>26,237</b>	<b>(326,578)</b>	<b>(446,347)</b>
<b>Net gains / (losses) on investments</b>		<b>163,331</b>	<b>-</b>	<b>163,331</b>	<b>54,534</b>
<b>Net income / (expenditure) for the year</b>	7	<b>(189,484)</b>	<b>26,237</b>	<b>(163,247)</b>	<b>(391,813)</b>
<b>Transfers between funds</b>		<b>(22,886)</b>	<b>22,886</b>	<b>-</b>	<b>-</b>
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>(212,370)</b>	<b>49,123</b>	<b>(163,247)</b>	<b>(391,813)</b>
<b>Actuarial (losses) / gains on defined benefit pension schemes</b>		<b>230,000</b>	<b>-</b>	<b>230,000</b>	<b>(11,750)</b>
<b>Net movement in funds</b>		<b>17,630</b>	<b>49,123</b>	<b>66,753</b>	<b>(403,563)</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		976,987	162,532	1,139,519	1,543,082
<b>Total funds carried forward</b>		<b>994,617</b>	<b>211,655</b>	<b>1,206,272</b>	<b>1,139,519</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19 to the financial statements.

# Community Action Hampshire

## Balance sheet

Company no. 3162873

As at 31 March 2019

	Note	£	2019 £	£	2018 £
<b>Fixed assets:</b>					
Tangible assets	12		1		4,750
Intangible assets	12		10,339		13,396
Investments	13		2,841,800		2,874,394
			<u>2,852,140</u>		<u>2,892,540</u>
<b>Current assets:</b>					
Debtors	14	90,181		52,401	
Cash at bank and in hand		189,196		116,571	
			<u>279,377</u>	<u>168,972</u>	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	15	355,245		151,993	
			<u>(75,868)</u>		<u>16,979</u>
<b>Net current (liabilities)/assets</b>					
			<u>2,776,272</u>		<u>2,909,519</u>
<b>Net assets excluding pension asset/(liability)</b>					
Defined benefit pension scheme liability	17		1,570,000		1,770,000
<b>Total net assets</b>			<u>1,206,272</u>		<u>1,139,519</u>
<b>The funds of the charity:</b>	19a				
Restricted income funds			211,655		162,532
Unrestricted income funds:					
Designated funds		960,063		866,781	
Fair value reserve		640,591		477,260	
General funds		963,963		1,402,946	
Pension reserve		(1,570,000)		(1,770,000)	
			<u>994,617</u>		<u>976,987</u>
<b>Total unrestricted funds</b>					
			<u>1,206,272</u>		<u>1,139,519</u>
<b>Total charity funds</b>					

The opinion of the directors is that the company is entitled to the exemptions conferred by Section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge the following responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the trustees on 18 September 2019 and signed on their behalf by



Oliver Rowe  
Chairman

Community Action Hampshire

Statement of cash flows

For the year ended 31 March 2019

	Note	2019 £	2018 £
Cash flows from operating activities	20		
Net cash (used in)/provided by operating activities		(225,069)	(466,300)
Cash flows from investing activities:			
Dividends and interest from investments		101,769	119,336
Proceeds from sale of investments		420,000	442,000
Purchase of investments		(224,075)	(118,763)
Net cash provided by investing activities		297,694	442,573
Change in cash and cash equivalents in the year		72,625	(23,727)
Cash and cash equivalents at the beginning of the year		116,571	140,298
Cash and cash equivalents at the end of the year		189,196	116,571

**1 Accounting policies**

**a) Statutory information**

Community Action Hampshire is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is Westgate Chambers, Staple Gardens, Winchester, SO23 8SR.

**b) Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

**c) Public benefit entity**

The charitable company meets the definition of a public benefit entity under FRS 102.

**d) Going concern**

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**e) Income**

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

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

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**f) Investment income receivable**

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

**g) Fund accounting**

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

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

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

**h) Expenditure and irrecoverable VAT**

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

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services, and other activities undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

**1 Accounting policies (continued)**

**i) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on staff time attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

**j) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

**k) Tangible and intangible fixed assets**

Fixed assets are capitalised where the purchase price exceeds £1,000. Depreciation and amortisation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation and amortisation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The useful lives are as follows:

● Furniture, Fixtures & Fittings	5 years
● Equipment	3 years
● Computers	3 years
● Intangible assets (software)	3 years

**l) Listed investments**

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

**m) Debtors**

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

**n) Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

**o) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**p) Pensions**

The charity participates in a defined benefit pension scheme. The assets of the scheme are held and managed separately from those of the charity.

The charity has adopted the full requirements of Financial Reporting Standard 102 – Accounting for Defined Benefit Schemes (FRS102). Current or past service costs and gains, as determined by the scheme's actuary, are charged to the statement of financial activities. Pension finance costs or income are included within total resources expended or incoming resources as applicable. Actuarial gains and losses arising are recognised within 'gains and losses' on the statement of financial activities.

The deficit on the scheme, representing the shortfall of the value of the scheme assets below the present value of the scheme liabilities is recognised as a liability on the balance sheet to the extent that the employer charity has a legal or constructive obligation for the liability. A corresponding pension reserve is included within total unrestricted funds.

## 2 Detailed comparatives for the statement of financial activities

	Unrestricted £	Restricted £	2018 Total £
<b>Income from:</b>			
Voluntary income	80,496	-	80,496
Charitable activities	117,405	676,469	793,874
Investments	119,336	-	119,336
<b>Total income</b>	<b>317,237</b>	<b>676,469</b>	<b>993,706</b>
<b>Expenditure on:</b>			
Raising funds	24,099	-	24,099
Charitable activities	535,790	880,164	1,415,954
<b>Total expenditure</b>	<b>559,889</b>	<b>880,164</b>	<b>1,440,053</b>
<b>Net expenditure before losses on investments</b>	<b>(242,652)</b>	<b>(203,695)</b>	<b>(446,347)</b>
Net gains/(losses) on investments	54,534	-	54,534
<b>Net expenditure</b>	<b>(188,118)</b>	<b>(203,695)</b>	<b>(391,813)</b>
Transfers between funds	(1,131)	1,131	-
<b>Net expenditure before other recognised gains and losses</b>	<b>(189,249)</b>	<b>(202,564)</b>	<b>(391,813)</b>
Actuarial (losses)/gains on defined benefit pension	(11,750)	-	(11,750)
<b>Net movement in funds</b>	<b>(200,999)</b>	<b>(202,564)</b>	<b>(403,563)</b>
<b>Total funds brought forward</b>	<b>1,177,986</b>	<b>365,096</b>	<b>1,543,082</b>
<b>Total funds carried forward</b>	<b>976,987</b>	<b>162,532</b>	<b>1,139,519</b>

## 3 Income from donations and grants

	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Hampshire County Council (HCC) grants	72,437	-	72,437	80,496	-	80,496
	<u>72,437</u>	<u>-</u>	<u>72,437</u>	<u>80,496</u>	<u>-</u>	<u>80,496</u>

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2019

4 Income from charitable activities

	Unrestricted £	Restricted £	2019 Total £	Unrestricted £	Restricted £	2018 Total £
Alliance	-	-	-	-	-	-
Local Trust for Fratton Big Local	-	144,764	144,764	-	270,298	270,298
Local Trust for Wecock Big Local	-	-	-	-	(30,694)	(30,694)
Fees, contracts and charges	-	83,484	83,484	86,261	26,041	112,302
Sub-total for Voluntary & Community Groups	-	228,249	228,249	86,261	265,645	351,906
Defra for Rural Community Action Network	-	48,669	48,669	-	52,505	52,505
Hampshire Alliance for Rural Affordable	-	138,552	138,552	-	149,196	149,196
Community Led Housing Fund	-	79,541	79,541	-	44,899	44,899
Fees	960	-	960	3,471	-	3,471
Sub-total for Support for Communities	960	266,762	267,722	3,471	246,600	250,071
Fees and charges	42,969	-	42,969	27,093	-	27,093
Sub-total for Policy & Information	42,969	-	42,969	27,093	-	27,093
Lloyds Bank for School for Social	-	62,049	62,049	-	65,429	65,429
Big Lottery Fund Building Better	-	144,444	144,444	-	92,458	92,458
Fees, charges and other income	82	9,105	9,187	400	-	400
Sub-total for Social Enterprise	82	215,598	215,680	400	157,887	158,287
Healthwatch	-	-	-	-	3,250	3,250
Hurstborne Priors	-	-	-	-	5,215	5,215
Fees, contracts and charges	10,059	-	10,059	180	-	180
Sub-total for Engagement and Research	10,059	-	10,059	180	8,465	8,645
Local Trust for Fratton Big Local	-	5,608	5,608	-	5,505	5,505
Local Trust for Wecock Big Local	-	-	-	-	(7,633)	(7,633)
Sub-total for Grant Making	-	5,608	5,608	-	(2,128)	(2,128)
Total income from charitable activities	54,070	716,217	770,287	117,405	676,469	793,874



Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2019

5 Analysis of expenditure (current year)

	Charitable activities								2019 Total £	2018 Total £
	Cost of raising funds £	Support for Voluntary & Community Groups £	Support for Communities £	Policy & Information £	Support for Social Enterprise £	Engagement and Research £	Grant Making £	Governance costs £	Support costs £	
Staff costs (Note 8)	8,411	79,583	174,425	70,966	82,878	49,597	4,235	7,513	241,291	718,899
Other staff costs	-	2,491	4,971	613	1,960	518	26	-	5,349	15,928
Trustees' costs	-	-	-	-	-	-	-	1,697	-	1,697
Operating costs	8,331	96,325	82,308	32,383	166,252	18,148	1,870	2,387	43,858	451,862
Grants payable	-	67,500	-	-	-	-	2,364	-	-	69,864
Depreciation/amortisation	-	-	-	7,806	-	-	-	-	-	7,806
Independent examination and accountancy	-	-	-	-	-	-	-	5,015	-	5,015
	16,742	245,899	261,704	111,768	251,090	68,263	8,495	16,612	290,498	1,271,071
Support costs	5,090	74,763	79,567	33,982	76,341	20,755	-	-	(290,498)	-
Governance costs	-	4,153	4,153	4,153	-	4,153	-	(16,612)	-	-
<b>Total expenditure 2019</b>	<b>21,832</b>	<b>324,815</b>	<b>345,424</b>	<b>149,903</b>	<b>327,431</b>	<b>93,171</b>	<b>8,495</b>	<b>-</b>	<b>-</b>	<b>1,271,071</b>
<b>Total expenditure 2018</b>	<b>24,099</b>	<b>554,696</b>	<b>323,756</b>	<b>111,194</b>	<b>274,913</b>	<b>140,241</b>	<b>11,154</b>	<b>-</b>	<b>-</b>	<b>1,440,053</b>

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2019

5 Analysis of expenditure (Prior year)

	Charitable activities									2018 Total £
	Cost of raising funds £	Support for Voluntary & Community Groups £	Support for Communities £	Policy & Information £	Support for Social Enterprise £	Engagement and Research £	Grant Making £	Governance costs £	Support costs £	
Staff costs (Note 8)	9,296	160,948	134,643	40,403	69,959	62,966	-	8,304	290,899	777,418
Other staff costs	-	3,213	5,638	1,803	4,451	967	-	-	14,158	30,230
Trustees' costs	-	-	-	-	-	-	-	766	-	766
Operating costs	10,941	220,882	86,901	31,043	157,485	23,417	5,998	3,135	75,065	614,867
Grants payable	-	7,397	-	-	-	-	5,156	-	-	12,553
Depreciation/amortisation	-	2,335	2,335	2,335	-	2,335	-	-	-	9,340
Independent examination and accountancy	-	-	-	-	-	-	-	(5,121)	-	(5,121)
	20,237	394,775	229,517	75,584	231,895	89,685	11,154	7,084	380,122	1,440,053
Support costs	3,862	158,150	92,468	33,839	43,018	48,785	-	-	(380,122)	-
Governance costs	-	1,771	1,771	1,771	-	1,771	-	(7,084)	-	-
Total expenditure 2018	24,099	554,696	323,756	111,194	274,913	140,241	11,154	-	-	1,440,053

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2019

6 Grant Making

	Grants to institutions £	2019 £	2018 £
HARAH	19,307	19,307	22,094
Alliance	67,500	67,500	-
Fratton Big Local Community Grants	2,364	2,364	3,758
	<b>89,171</b>	<b>89,171</b>	<b>25,852</b>

**Hampshire Alliance for Affordable Rural Housing (HARAH)**

£19,307 was paid to Winchester City Council in support of the HARAH Strategic Housing Officer

**Alliance**

The balance of the Alliance funds were transferred to the Hampshire and Isle of Wight Community Foundation (HIWCF) to manage a grant programme.

**Fratton Big Local Community Grants**

3 grants were paid to eligible community groups in Fratton, totalling £1,534 and ranging in value from £300 to £734. In addition £1,000 was paid for room hire at Fratton Community Centre for various workshops and events.

7 Net incoming resources for the year

This is stated after charging:

	2019 £	2018 £
Depreciation and amortisation	7,806	9,339
Operating lease rentals:		
Property	73,999	61,363
Other	502	935
Independent examination fee (excluding VAT)	3,100	3,000
Other services	-	450

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

Staff costs were as follows:

	2019 £	2018 £
Salaries and wages	495,284	552,349
Social security costs	43,540	45,069
Operating costs of defined benefit pension schemes	180,000	180,000
Operating costs of defined contribution pension schemes	75	-
	<b>718,899</b>	<b>777,418</b>

No employee earned more than £60,000 during the year (2018: nil).

The total employee benefits including pension contributions and employer's NI of the key management personnel were £177,214 (2018: £164,400).

No termination payments were made to any employees (2018: £Nil).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2018: £nil). No charity trustee received payment for professional or other services supplied to the charity (2018: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £846 (2018: £766) incurred by 7 (2018: 12) members relating to attendance at meetings of the trustees.

**9 Staff numbers**

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2019 No.	2018 No.
Support for Voluntary & Community Groups	5.4	9.3
Support for Communities	4.0	3.3
Policy & Information	1.0	1.0
Support for Social Enterprise	2.9	2.0
Engagement and Research	2.0	2.5
Support and administration	6.7	6.5
	<u>22.0</u>	<u>24.6</u>

**10 Related party transactions**

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

Healthwatch Hampshire rented office space within Action Hampshire's Winchester office until 8 June 2018 2019: £1,417 (2018: £7,500). Postage, photocopying, and stationery was also recharged to Healthwatch Hampshire at a cost of 2019: £NIL (2018: £79).

The total Healthwatch balance outstanding at year end was £nil (2018: £3,329)

**11 Taxation**

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

**12 Fixed assets**

	Intangible Computer software £	Tangible Fixtures and fittings £	Tangible Computer equipment £	Total £
<b>Cost</b>				
At the start of the year	24,857	36,586	12,977	74,420
At the end of the year	<u>24,857</u>	<u>36,586</u>	<u>12,977</u>	<u>74,420</u>
<b>Depreciation/amortisation</b>				
At the start of the year	11,461	31,836	12,977	56,274
Charge for the year	3,056	4,749	-	7,806
At the end of the year	<u>14,518</u>	<u>36,585</u>	<u>12,977</u>	<u>64,080</u>
<b>Net book value</b>				
At the end of the year	<u>10,339</u>	<u>1</u>	<u>-</u>	<u>10,340</u>
At the start of the year	<u>13,396</u>	<u>4,750</u>	<u>-</u>	<u>18,146</u>

All of the above assets are used for charitable purposes.

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2019

13 Investments

	2019 £	2018 £
Fair value at the start of the year	2,874,394	3,143,098
Additions at cost	224,075	118,763
Disposal proceeds	(420,000)	(442,000)
Net gain on change in fair value	163,331	54,533
Fair value at the end of the year	<u>2,841,800</u>	<u>2,874,394</u>
Historic cost at the end of the year	<u>2,201,209</u>	<u>2,397,134</u>

Investments comprise:

	2019 £	2018 £
CCLA COIF Charities Property Fund	259,492	506,147
CCLA COIF Charities Fixed Interest Fund	38,863	90,757
CCLA COIF Charities Investment Fund	2,259,082	2,093,857
CCLA COIF Charities Deposit Fund	284,263	183,533
Investment in Subsidiary	100	100
	<u>2,841,800</u>	<u>2,874,394</u>

The charity owns 100% of the share capital of AH Activate Limited, a company limited by shares (company number 10495826) and based in the UK. There is no activity within AH Activate Limited and consolidated accounts have therefore not been prepared. The company has a share capital of £100.

14 Debtors

	2019 £	2018 £
Trade debtors	59,058	23,047
Prepayments	31,123	29,354
	<u>90,181</u>	<u>52,401</u>

15 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	5,582	2,446
Payroll creditors	24,863	29,987
Other creditors	15,113	15,629
Accruals	20,255	14,910
Deferred income	289,432	89,021
	<u>355,245</u>	<u>151,993</u>

16 Deferred income

	2019 £	2018 £
Balance at the beginning of the year	89,021	11,234
Amount released to income in the year	(89,021)	(11,234)
Amount deferred in the year	289,432	89,021
Balance at the end of the year	<u>289,432</u>	<u>89,021</u>

Deferred income comprises £38,500 grant receivable for Community Led Housing, £53,540 grant receivable for Fratton Big Local, and £197,392 grant receivable for Wessex Cancer Alliance 'Communities Against Cancer' project.

**17 Pension scheme**

The disclosures below relate to the funded liabilities within the Hampshire County Council Pension Fund (the Fund) which is part of the Local Government Pension Scheme. Action Hampshire participates in the Fund which up to 31 March 2014 provided defined benefits based on members' final pensionable salary. From 1 April 2014 the scheme provides benefits based on members' career average salary, with preserved rights for benefits earned under the final salary provisions.

Membership is open to all the charity's existing employees as at 31 December 2018, new employees from 1 January 2019 are eligible to join the NEST pension scheme. At 31 March 2019 88% of eligible employees were members. The employer's contribution for 2018/19 is 17.6% plus a fixed contribution of £59,200 and the employee's contribution is between 5.5% and 8.5% of gross salary. All contributors to the scheme receive regular information from the Hampshire Pension Fund.

In accordance with Financial Reporting Standard 102, disclosure of certain information concerning assets, liabilities, income and expenditure related to pension schemes is required.

**Contributions for the accounting period ending 31 March 2019**

The Employer's regular contributions to the Fund for the accounting period ending 31 March 2019 are estimated to be £140,000.

**Assumptions**

The latest actuarial valuation of the Hampshire County Council Pension Fund and Action Hampshire's liabilities took place on 31 March 2016. Liabilities have been estimated by the independent qualified actuary on an actuarial basis using the projected unit credit method. The principal assumptions used by the independent qualified actuaries in updating the latest valuations of the Fund for FRS102 purposes were:

**Principal Financial Assumptions**

	2019	2018	2017
	% p.a	% p.a	% p.a
Discount Rate	2.4	2.6	2.5
Rate of increase to pensions in payment	2.2	2.1	2.0
Rate of general increase in salaries	3.7	3.6	3.5

**Principal Demographic Assumptions****Assumed Life Expectancy at 65****Males**

	2019	2018	2017
Member aged 65 at accounting date	23.3	24.1	24.0
Member aged 45 at accounting date	24.9	26.2	26.0

**Females**

	2019	2018	2017
Member aged 65 at accounting date	26.1	27.2	27.0
Member aged 45 at accounting date	27.8	29.4	29.3

**Asset allocation**

The approximate split for the fund as a whole (based on data supplied by the Fund Administering Authority) is shown in the table below. Also shown are the assumed rates of return adopted by the employer for the purposes of FRS102.

	2019	2018
	% p.a	% p.a
Equities	60.4	62.6
Property	7.6	7.0
Government Bonds	22.7	23.7
Corporate Bonds	5.2	1.0
Cash	2.3	2.6
Other	1.8	3.1
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

## 17 Pension scheme (continued)

Reconciliation of funded status of Action Hampshire to balance sheet	2019 £m	2018 £m
Fair value of assets	4.59	4.18
Present value of funded defined benefit obligation	6.16	5.95
Pension liability recognised on the balance sheet	(1.57)	(1.77)

Analysis of amount charged to net incoming resources	2019 £m	2018 £m
Current service cost	0.13	0.14
Past service costs	0.01	0.00
Interest on net defined benefit liability / (asset)	0.04	0.04
Total expense recognised	0.18	0.18

Changes to the fair value of liabilities during the year	2019 £m	2018 £m
Opening present value of liabilities	5.95	5.77
Current service cost	0.13	0.14
Interest cost on pension scheme liabilities	0.15	0.14
Contributions by participants	0.03	0.03
Actuarial (gains)/losses on liabilities*	0.06	0.04
Net benefits paid out**	(0.17)	(0.17)
Past service costs	0.01	-
Closing present value of liabilities	6.16	5.95

\*Includes changes to actuarial assumptions.

\*\*Consists of net cash-flow out of the Fund in respect of the Employer, excluding contributions and any death in service lump sums paid, and including an approximate allowance for the expected death in service lump sums.

Changes to the fair value of assets during the year	2019 £m	2018 £m
Opening fair value of assets	4.18	4.06
Interest income on assets	0.11	0.10
Actuarial gains/(losses) on assets	0.29	0.03
Contributions by the employer	0.15	0.13
Contributions by participants	0.03	0.03
Net benefits paid out	(0.17)	(0.17)
Closing fair value of assets	4.59	4.18

Actual return on assets	2019 £m	2018 £m
Interest income on assets	0.11	0.10
Gain / (loss) on assets	0.29	0.03
Closing fair value of assets	0.40	0.13

Community Action Hampshire

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For the year ended 31 March 2019

18a Analysis of net assets between funds (current year)

	General unrestricted, Fair Value and Pension Reserve £	Designated £	Restricted £	Total funds £
Tangible fixed assets	1	-	-	1
Intangible fixed assets	10,339	-	-	10,339
Investments	1,679,668	960,063	202,069	2,841,800
Net current liabilities	(85,454)	-	9,586	(75,868)
Defined benefit pension liability	(1,570,000)	-	-	(1,570,000)
<b>Net assets at 31 March 2019</b>	<b>34,554</b>	<b>960,063</b>	<b>211,655</b>	<b>1,206,272</b>

18b Analysis of net assets between funds (prior year)

	General unrestricted, Fair Value and Pension Reserve £	Designated £	Restricted £	Total funds £
Tangible fixed assets	4,750	-	-	4,750
Intangible fixed assets	13,396	-	-	13,396
Investments	1,856,160	866,781	151,453	2,874,394
Net current assets	5,900	-	11,079	16,979
Defined benefit pension liability	(1,770,000)	-	-	(1,770,000)
<b>Net assets at 31 March 2018</b>	<b>110,206</b>	<b>866,781</b>	<b>162,532</b>	<b>1,139,519</b>



Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2019

19a Movements in funds (current year)

	At 1 April 2018 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2019 £
<b>Restricted funds:</b>					
Building Better Opportunities	(35,203)	144,444	(119,438)	-	(10,197)
Clinical Commissioning Group (CCG) Portsmouth	738	29,016	(29,754)	-	-
Hampshire Rural Forum	1,574	6,472	(8,618)	-	(572)
Joining Forces for Families	-	1,564	(922)	-	642
Power To Change	-	35,957	(37,813)	-	(1,856)
Wessex Cancer Alliance	-	5,608	(5,608)	-	-
Fratton Big Local	11,359	191,196	(130,066)	-	72,489
Hampshire Alliance for Rural Affordable Housing	77,970	138,552	(138,358)	-	78,164
Community Led Housing Fund	8,626	79,541	(67,725)	-	20,442
Hampshire Independent Equality Forum	853	-	(41)	-	812
Hampshire Interfaith Network	10,237	-	(219)	-	10,018
Rural Community Action Network	2,136	48,669	(25,287)	-	25,518
School for Social Entrepreneurs	-	35,198	(58,084)	22,886	-
Social Enterprise Network	1,297	-	-	-	1,297
Sounding Board	10,403	-	-	-	10,403
The Alliance	68,047	-	(68,047)	-	-
Young Entrepreneurs	4,495	-	-	-	4,495
<b>Total restricted funds</b>	<b>162,532</b>	<b>716,217</b>	<b>(689,980)</b>	<b>22,886</b>	<b>211,655</b>
<b>Unrestricted funds:</b>					
Designated funds:					
Westgate Chambers Lease & Maintenance	621,640	101,769	(132,017)	191,108	782,500
Action Hampshire Business Development	100,000	-	-	(27,437)	72,563
School for Social Entrepreneurs Development	145,141	-	-	(40,141)	105,000
<b>Total designated funds</b>	<b>866,781</b>	<b>101,769</b>	<b>(132,017)</b>	<b>123,530</b>	<b>960,063</b>
<b>Fair value reserve</b>	<b>477,260</b>	<b>163,331</b>	<b>-</b>	<b>-</b>	<b>640,591</b>
<b>General funds</b>	<b>1,402,946</b>	<b>126,507</b>	<b>(419,074)</b>	<b>(146,416)</b>	<b>963,963</b>
<b>Total unrestricted funds</b>	<b>2,746,987</b>	<b>391,607</b>	<b>(551,091)</b>	<b>(22,886)</b>	<b>2,564,617</b>
<b>Pension reserve</b>	<b>(1,770,000)</b>	<b>230,000</b>	<b>(30,000)</b>	<b>-</b>	<b>(1,570,000)</b>
<b>Total funds including pension fund</b>	<b>1,139,519</b>	<b>1,337,824</b>	<b>(1,271,071)</b>	<b>-</b>	<b>1,206,272</b>

The narrative to explain the purpose of each fund is given at the foot of the note below.

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2019

19b Movements in funds (prior year)

	At 31 March 2017 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2018 £
<b>Restricted funds:</b>					
Building Better Opportunities	15,345	92,458	(143,006)	-	(35,203)
Clinical Commissioning Group (CCG) Portsmouth	34,562	11,466	(45,290)	-	738
NHS West Hampshire CCG	-	13,000	(13,000)	-	-
Hampshire Rural Forum	-	1,575	(1)	-	1,574
CCG Portsmouth for PRENO	1,675	-	(1,675)	-	-
Blagrove	3,727	-	-	(3,727)	-
Fratton Big Local	16,293	275,803	(280,737)	-	11,359
Wecock Big Local	86,894	(38,327)	(48,567)	-	-
Hampshire Alliance for Rural Affordable Housing	64,072	149,196	(135,298)	-	77,970
Community Led Housing Fund	-	44,899	(36,273)	-	8,626
Hampshire Independent Equality Forum	853	-	-	-	853
Hampshire Interfaith Network	10,476	-	(239)	-	10,237
Rural Community Action Network	38,970	52,505	(89,339)	-	2,136
School for Social Entrepreneurs	-	65,429	(70,287)	4,858	-
Social Enterprise Network	1,297	-	-	-	1,297
Sounding Board	10,403	-	-	-	10,403
Healthwatch	-	3,250	(3,250)	-	-
Hurstborne Priors HNS	-	5,215	(5,215)	-	-
The Alliance	75,996	-	(7,949)	-	68,047
Young Entrepreneurs	4,533	-	(38)	-	4,495
<b>Total restricted funds</b>	<b>365,096</b>	<b>676,469</b>	<b>(880,164)</b>	<b>1,131</b>	<b>162,532</b>
<b>Unrestricted funds:</b>					
<b>Designated funds:</b>					
Westgate Chambers Lease & Maintenance	724,000	-	(102,361)	-	621,640
Action Hampshire Business Development	100,000	-	-	-	100,000
School for Social Entrepreneurs Development	149,999	-	-	(4,858)	145,141
<b>Total designated funds</b>	<b>973,999</b>	<b>-</b>	<b>(102,361)</b>	<b>(4,858)</b>	<b>866,781</b>
<b>Fair value reserve</b>	<b>422,727</b>	<b>11,927</b>	<b>-</b>	<b>42,606</b>	<b>477,260</b>
<b>General funds</b>	<b>1,491,260</b>	<b>338,099</b>	<b>(387,534)</b>	<b>(38,879)</b>	<b>1,402,946</b>
<b>Total unrestricted funds</b>	<b>2,887,986</b>	<b>350,026</b>	<b>(489,895)</b>	<b>(1,131)</b>	<b>2,746,987</b>
<b>Pension reserve</b>	<b>(1,710,000)</b>	<b>320,000</b>	<b>(380,000)</b>	<b>-</b>	<b>(1,770,000)</b>
<b>Total funds including pension fund</b>	<b>1,543,082</b>	<b>1,346,495</b>	<b>(1,750,059)</b>	<b>-</b>	<b>1,139,519</b>

**Movements in funds (continued)**

**Purposes of restricted funds**

**Building Better Opportunities**

Action Hampshire are a partner in the a Big Lottery Fund and ESF Building Better Opportunities Grant. Funding was received to support participants who are not in paid employment and are interested in setting up their own social enterprise. Claims are paid in arrears and the deficit balance is expected to be received in 2019/20.

**Clinical Commissioning Group (CCG) Portsmouth**

Funding for a pilot project providing a single point of access to not-for-profit organisations who could provide non-medical support to patients and also to support the CCG to engage strategically with the sector. This funding has been extended to January 2019.

**NHS West Hampshire CCG**

Funding for a pilot project placing a surgery signposter in a GP surgery to enable users to access services.

**Hampshire Rural Forum**

Funding for Action Hampshire to provide the secretariat role for the Hampshire Rural Forum. The deficit will be recovered in 2019/20.

**CCG Portsmouth for Portsmouth Race Equality Network Organisation (PRENO)**

Funding from the CCG for Live Well: a project to support PRENO to share key health messages with BME communities.

**Blagrove Feedback Fund**

Funding to provide training to Children and Young People's organisations in Portsmouth around guided conversations and gaining a better understanding of what young people really want from services. The fund was happy for the remaining amount of the grant to be invested in other services that we provide.

**Joining Forces for Families**

Funding for the production of an evaluation study to assess the effectiveness of the Joining Forces for Families project.

**Power To Change**

Funding to run the Community Business Trade Up programme. The deficit will be recovered in 2019/20.

**Wessex Cancer Alliance**

Funding to cover a social capital project to raise awareness of signs and symptoms of cancer, cancer screening and support early diagnosis within local communities

**Fratton Big Local**

Grants from Big Local to support the Fratton Big Local project in Portsmouth

**Wecock Big Local**

Grants from Big Local to support the Wecock Big Local project in Portsmouth

**Community Led Housing Fund**

The charity received funding for a Community Housing Adviser, employed by Action Hampshire, to provide advice, support and guidance to communities wishing to embark on community led housing initiatives and projects.

**Hampshire Alliance for Affordable Rural Housing (HARAH)**

The charity received funding from Hampshire Alliance for Affordable Rural Housing for two Rural Housing Enablers, employed by Action Hampshire, and a Strategic Housing Officer, employed by Winchester City Council, to work with local communities and agencies, to help them measure the need for affordable housing and consider how and where to provide it

**Hampshire Independent Equality Forum**

Funding from Hampshire County Council to support the establishment of the Hampshire Independent Equality Forum

**Hampshire Interfaith Network**

Action Hampshire is the accountable body for the Hampshire Interfaith Network, which promotes mutual understanding between people of different faiths and liaises with public service providers on behalf of the network

**Rural Community Action Network**

The charity receives funding from Action with Communities in Rural England to finance the work of the Hampshire Rural Community Council

**School for Social Entrepreneurs**

The school offers a programme for individual social entrepreneurs to develop enterprises working for social benefit. From 2012 Lloyds Bank has been the main sponsor of the programme, with additional sponsorship from PwC for a separate short programme.

**Social Enterprise Network**

Funding from SE2 Partnership for social enterprise development

**Purposes of restricted funds (continued)**

**Sounding Board**

Funding from Hampshire County Council for Sounding Board, a 'virtual panel' set up to hear the views of adults who have an involvement in care and support services (e.g. care at home, day opportunities or residential/nursing care)

**Healthwatch**

Funding to undertake a maternity survey.

**Hurstborne Priors HNS**

Funding to undertake a housing needs survey.

**The Alliance**

The Alliance was an independent charity which historically supported not-for-profit organisations working with children and young people in Hampshire. In November 2015, the members voted at an extraordinary general meeting to transfer the organisation's assets to Action Hampshire who will continue to support these organisations. The Hampshire Voluntary Sector Children and Young People's Alliance was dissolved on 8 August 2017 and subsequently removed from the central register of charities. During the year the remaining assets were transferred to the Hampshire & Isle of Wight Community Foundation (HIWCF). The HIWCF awarded grants to 16 smaller charities and community groups to support vulnerable children, young people and families in crisis or living in poverty.

**Young Entrepreneurs**

Funding to support social enterprise development and learning for students at school and college.

**Purposes of designated funds**

**Westgate Chambers Lease & Maintenance**

Funding to provide towards the costs of leasing and maintaining Westgate Chambers, Winchester for the remaining years of the lease. This has increased this year in line with the rent review.

**Action Hampshire Business Development**

Funding to support the development of new business initiatives at Action Hampshire, this is planned to be spent over the next two years.

**School for Social Entrepreneurs Development**

Funding to support the 5 year contract period of the School for Social Entrepreneurs Hampshire.

**Transfers between funds**

A transfer of £22,886 was made from the SSE Hampshire designated fund to the SSE restricted fund to meet the deficit in external grant funding in 2018/19.

**20 Reconciliation of net income / (expenditure) to net cash flow from operating activities**

	2019 £	2018 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(163,247)	(391,813)
Depreciation charges	7,806	9,340
(Gains)/losses on investments	(163,331)	(54,534)
Dividends and interest from investments	(101,769)	(119,336)
Difference between pension cost charges to SOFA and cash contributions paid	30,000	48,250
(Increase)/Decrease in debtors	(37,780)	27,984
Increase in creditors	203,252	13,809
<b>Net cash (used in ) / provided by operating activities</b>	<b>(225,069)</b>	<b>(466,300)</b>

**21 Operating lease commitments**

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property		Equipment	
	2019 £	2018 £	2019 £	2018 £
Less than one year	86,000	66,000	502	1,252
One to five years	258,000	264,000	-	-
	<b>344,000</b>	<b>330,000</b>	<b>502</b>	<b>1,252</b>

**22 Legal status of the charity**

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.