

Company number: 3162873

Charity number: 1053806



Community Action Hampshire
Report and Financial Statements
31 March 2021



Community Action Hampshire

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For the year ended 31 March 2021

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Community Action Hampshire

Report of the trustees

For the year ended 31 March 2021

Reference and Administrative Details

Charity Number: 1053806 registered in England and Wales
Company Number: 3162873 incorporated and registered in England and Wales
Registered Office: Westgate Chambers, Staple Gardens, Winchester, SO23 8SR
Telephone: 01962 854971 Fax: 01962 841160
Website: www.actionhampshire.org Email: info@actionhants.org.uk

Our advisers

Independent examiner: Fleur Holden, Sayer Vincent LLP, Invicta House, 108 – 114 Golden Lane, London EC1Y 0TL
Principal bankers: Unity Trust Bank plc, Nine Brindley Place, Birmingham B1 2HB
Investment Managers: CCLA Investment Managers Ltd, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

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)
Colin Brown
Margaret Geary
Rosalind Rutt – resigned 23 September 2020
Savannah King
Michael Southgate
Tim Mason – resigned 20 July 2020
Alex Clements – resigned 24 March 2021
Julie Amies
Richard Barritt
Katharine English – appointed 27 January 2021
Craig Stretch – appointed 27 January 2021, resigned 24 March 2021

Vice President: Brian Challis

Company Secretary:

Sarah Hurford-Potter

Key management personnel

Senior Leadership Team

Chief Executive Officer	Sue Dovey – resigned 31 August 2021
Interim CEO	Kate Shurety – appointed 5 July 2021
Head of Services	Kirsty Rowlinson – resigned 30 April 2021
Head of Finance and Contracts	Sarah Hurford-Potter
Head of Enterprise	Nikki Prentice-Jones
Head of Charitable Services	Leah Campbell – appointed 1 June 2021

Community Action Hampshire

Report of the trustees

For the year ended 31 March 2021

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 2021.

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 2019).

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 organise 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 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 four main categories:

1. Support for Voluntary & Community Groups;
2. Support for Communities (including Affordable Housing in rural communities and community buildings advice);
3. Social Enterprise;
4. Engagement & Research.

Community Action Hampshire

Report of the trustees

For the year ended 31 March 2021

Achievements and Performance

1. Support for Voluntary and Community Groups

Membership

Action Hampshire members can benefit from a range of offers, including guidance and information, support and training, one to one meetings with our CEO, 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

We have continued to publish a newsletter with information for the voluntary, community and social enterprise sector. Since the start of the pandemic we suspended News You Can Use and, in its place, have published a weekly newsletter – ‘Important stuff you need to know right now’.

This includes funding opportunities and information and support for organisations and their beneficiaries during the pandemic. It also contains headline policy updates, promotion of events and campaigns and information for supporting the sector e.g. training, tips for digital working and developing a sustainable organisation.

On the basis of feedback we received, we decided to make our full newsletter fortnightly, with a ‘funding and urgent stuff’ roundup on the non-newsletter weeks.

We currently have 1650 subscribers. Open rate is an average 35%, equating to an average of 577 people opening it each week.

Staying connected

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

- Hampshire Leadership Forum
- CEOs network
- Social & community enterprise network
- Hampshire CVS network
- Hampshire Good Neighbour Schemes Group
- Community Buildings Networks covering all of Hampshire’s 11 districts (we organize a network covering 3 districts, the district CVSs and a local authority organize the other networks with our support)

Additionally, using an online platform, each of these groups is supported through closed member groups, enabling members to discuss, debate and to share information on topical and relevant issues. This has been particularly important through the months of the Covid crisis when people have not been able to meet face to face. These groups have enabled voluntary sector staff and volunteers to gain support and reassurance, to quickly access the latest guidance on Covid measures and restrictions and to act as peer support groups. An example of the benefits of this approach has been how the community buildings group, which has 200 members, has shared practical information about how to make community buildings Covid compliant enabling their communities to continue to feel safe using them during the pandemic.

Community Action Hampshire

Report of the trustees

For the year ended 31 March 2021

Action Hampshire is also a member of the following national bodies:

- Action with Communities in Rural England (ACRE)
- NAVCA (National Association for Voluntary Community Action)

This enables us to access a wide range of national information and support. This has been particularly important through the Covid crisis to ensure that we have had access to the latest guidance and Covid support measures, in order to inform the wider VCSE Sector in Hampshire. Many VCSEs wanted to continue to deliver their services but needed information and resources in order to do so in a Covid compliant way.

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
- The Solent LEP Skills Group

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:

- Loddon and Test LEADER Programme Local Action Group
- Hampshire Homes Hub
- Hampshire Rural Forum (AH Ambassador Rosalind Rutt is a member of the Steering Group)
- Action with Communities in Rural England (ACRE)
- Winchester Villages Trust

During the year, Action Hampshire provided the secretariat role for the Hampshire Rural Forum. Responding to the pandemic, all meeting and workshops were cancelled and updates kept to a minimum. The main focus of activity was undertaking research for a report, Hampshire Rural Economy and it's recovery post Covid-19, which was finalised in January 2021. Rural Forum members responded to a survey and participated in a series of discussion group sessions. This contributed to the wider work undertaken by Hampshire County Council and other agencies to plan for the county's economic recovery.

National Emergency partnership

The NEP was mobilised in response to the Covid pandemic to enable national VCSE crisis response organisations such as the British Red Cross and FareShare to link with local charities, ensuring that those most affected by Covid had access to the support they needed (there were over 50,000 people shielding in Hampshire at times and many needed support with shopping, prescriptions etc). Action Hampshire's CEO acted as the Liaison Lead for Hampshire on the NEP throughout the year, linking national resources into Local Resilience Fora (LRF) arrangements.

Community Action Hampshire

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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 National Lottery Community Fund.

The FBL partnership has continued to support the Fratton Road Traders Association. This year has been different due to the COVID-19 Pandemic and whilst we haven’t been able to do our normal annual events, FBL have adapted and have done some Live Stream events.

Other FBL activities during the year included:

- Festival of Lights: Craft packs were created for the local community to make window displays for this year’s live stream Festival of Light, a weeklong event consisting of daily live streaming events.
- Open Spaces: Fox Box Café opened up at the container located at Kingston Rec, providing take away food and drink at the Rec. Also includes an event of the official opening of the Fox Box Café.
- Inspiring Fratton Awards: FBL ran the 2nd Inspiring Fratton Awards in partnership with MP Stephen Morgan.
- Community Grants: A couple of grants were given and support, along with a laptop grant to provide children in need from Manor Infant School during the lockdown.
- Volunteering support for residents in the community who have been self-isolating, helping with things such as Prescription Collections, Dog Walking, etc.

2. Support for Communities

New homes

Housing: Hampshire Homes Hub

Hampshire Homes Hub formally went live on 1 April 2020, bringing together all our services involved with community-led and rural affordable housing.

We had to cancel our planned launch event for over 100 people, due to the first lockdown. Instead we successfully launched virtually, sending out a bespoke video outlining what community led housing is, and the role of the hub; we also used the opportunity to introduce our web pages and our detailed guide to community led housing.

We have maintained a full staff team throughout. One of our Community Led Housing Advisers left in September to pursue their academic studies, but we were able to welcome back Bev Harding-Rennie, who had previously worked with Action Hampshire as a Rural Housing Enabler, and brings a strong range of skills to the new post. All three advisers have completed their national community- led housing accreditation.

11 LAs formally signed up to our Terms of Reference. We set up a Steering Group from 1 April 2020, comprising representatives from Hampshire LAs, RPs, National Parks and community groups. The group meets every two months and formally reviews our Action Plan, Risk Register and pipeline information at each meeting, as well as acting as a ‘critical friend’ on all other relevant issues.

Community Action Hampshire

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We held a very successful virtual forum/ conference in January 2021, where 177 people attended via Zoom and heard from eight speakers about different community-led housing topics/models. Feedback from attendees was very positive and we made new contacts through the event. We also held four training sessions during the year, all via Zoom and on different aspects of housing.

In 2020/21 the housing funding was largely via a grant from Government. We had a number of targets to meet in order to receive each tranche of the £150,000 grant. We met every target and received the grant in full. However, the grant has now ended and there is no further opportunity for national or local statutory funding.

In March 2021, all LAs and RPs signed up to our Terms of Reference were invited to a wider meeting to look at the future of the Hub in relation to financial sustainability. A range of income generating ideas have been identified and are being either put in place or worked up, in order to ensure the housing team can continue to provide a service to all communities, without financial risk to Action Hampshire.

As well as charging communities for our services, we also carried out some consultancy work for another RCC in another part of the country in 2020, to help them look at the options around forming a Hub. We did not expect to earn a fee from consultancy so early on in our partnership so this was a bonus and demonstrated how we can provide such services.

A significant percentage of our income in 2020/21 came from carrying out Housing Need Surveys, and we anticipate this remaining a key service for communities, Parish Councils and developers. It is a key strength of the team.

As well as close working with LAs and local housing associations, we have built successful relations with some local developers, initially by providing independent housing needs surveys. This has then led to us being able to have a wider conversation with them about community-led housing, establishing opportunities for additional work for us and potential development for communities through developer partnerships.

2020 was a challenging year to launch a new service, but we are delighted that the team have already helped build capacity in this new housing sector and can offer communities a way to address their own housing needs.

Community buildings 2020-21

Our community buildings support work during 2020-21 has, of course, been completely dominated by the Covid-19 pandemic. The regulations and Government guidance for community buildings changed through the year, sometimes on a weekly basis. Our Community Buildings' Adviser (CBA) worked hard to keep Hampshire's community halls and associations up to date with the regulations and the various grant schemes to support businesses / organisations through the pandemic.

We are enormously grateful to ACRE for their tireless efforts to clarify various point of ambiguity in the Government guidance and to produce clear, readable resources for us to pass on to our contacts.

Over the year, our CBA sent 28 email bulletins specifically to community buildings (the most recent one to 363 contacts, increased from 274 at the end of 2019-20), to keep them informed about the lockdown rules, grants available, and the ever-changing legislation and guidance around reopening community buildings.

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This also involved frequent updates to Action Hampshire's website – the pandemic guidance for community buildings can be viewed here:

<https://actionhampshire.org/news-blog-events/opening-your-community-building-after-lockdown/>

Face-to-face training and briefing sessions have been illegal through most of the year, so our usage of Zoom for video meetings has greatly increased. We ran seven online briefings, with a total attendance of 396 people. Two of these sessions focused on sharing ideas for how community buildings can diversify their range of hirers and income sources. Following these meetings, we are working on producing a toolkit which will be made available to all our community buildings. We hope this will help them get through the post-pandemic period when many people might be reluctant to re-engage with groups and activities.

Our online networking using the Basecamp system has gone from strength to strength through 2020-21. From 94 community buildings representatives at the end of 2019-20, there were 174 such reps signed up at 31 March 2021. Over the year, there were 195 discussions started with 2823 total comments.

In Q3, most community buildings confirmed they either received LRSO (Closed) Addendum grant or the additional discretionary grant. Our efforts encouraged some to challenge decisions about grants that seemed unfair or erroneous – we provided evidence to support their challenge and were pleased that decisions were overturned.

Our links with local authorities also helped ensure their information was as accurate as possible. We supported Test Valley Borough Council to amend their guidance on the Jan 2021 business support grants (the guidance initially said that community buildings wouldn't qualify for the grants for closed businesses, whereas by that stage we knew they did qualify).

Here are some comments from our community buildings contacts:

"We could not have tackled this pandemic as we have without the support of the Community Hall Advisor and Action Hampshire"

"Many thanks for such a helpful and thorough reply. I think you and your ACRE colleagues have done a wonderful job for us over the last few, difficult months - thank you!"

"All in all, I'd say we've done pretty well considering and are looking forward to the future with some degree of optimism. The ACRE documents have been outstanding and the support from Kevin has been amazing."

"The ACRE documents have been outstanding and the support from Kevin has been amazing. Like others, I too have found the hive mind [our online message board for community buildings] extremely useful."

"I cannot praise more highly the advice and help we have received from Kevin and his team at Action Hampshire that has allowed us to safely reopen."

Quotes following the online briefing events:

"Thank you so much for yesterday's meeting, so well organised which can't have been easy and extremely informative. We have found your help vital throughout this time and are so grateful."

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"I just wanted to say what an amazing job you did setting up the zoom and controlling 100 people on Thursday. It was a really good meeting and helped me to understand all the different issues various groups are struggling with."

Rural 2020-21

Action Hampshire's CEO has acted as the Liaison Lead for Hampshire for the National Emergency Partnership throughout the pandemic. This has enabled AH to ask questions about access of rural dwellers to support, including testing and vaccinations. This role is now turning from crisis response work to recovery work, again enabling us to cite examples of rural communities that have thrived during the pandemic and have been examples of good practice in self- help.

As a member of the County Council's Winter Grants Panel, we have asked for allocation to rural areas to be part of the final review (currently awaited).

We have raised the issue of people living in rural communities having access to testing and vaccinations (most of the centres are based in urban settings), both locally and nationally. Community buildings have offered their venues but been turned down. We have raised this with the national Voluntary and Community Sector Emergencies Partnership (Chief Exec is a member) and with the local British Red Cross local resilience group. Also monitoring nationally through ACRE network.

A member of staff is on the board of Winchester Villages Trust which provides small grants to individuals in need in Winchester District's rural hinterland. She took part in three virtual trustee meetings during Q1-2, one of which was to agree processes when home visits not allowed. 50% of grants awarded related in some way to pandemic situation (eg. job loss, keeping school lunch club open).

The Communities Against Cancer project (which gives grants to communities / groups to raise awareness of cancer symptoms and reducing risk) has now widened its coverage to include rural areas.

Hampshire Rural Forum activity (Action Hampshire delivers secretariat role)

Gathering intelligence about the impact of Covid-19 and interventions to assist in recovery of rural businesses, enterprises and communities. This was done at the invitation of the Local Resilience Forum. The first stage was a survey to identify the main impacts of Covid-19 on different sectors of the rural economy plus people's thoughts about the future (112 responses were received).

Emerging themes were explored in greater depth during four themed focus group discussions (total of 29 businesses / organisations represented). Final report produced following a meeting with local authorities, the LEPs and National Parks to discuss the data. Seven recommendations made to inform strategic decision making and rural policy development and to help ensure resilience as businesses, enterprises and communities emerge from the impact of the pandemic. The report has now been sent to all Forum members, Councilors, LEPs, National Park Authorities.

Those who participated in the Hampshire Rural Forum intelligence gathering felt that their experiences and input into making the case for recovery of the rural economy were valued and they welcomed the opportunity. "I'll do anything to fight the corner for rural businesses". So many of them are small and not necessarily included in the more strategic planning that is happening. Some were shut at the time and had had to furlough staff, others had moved to online business but still faced a drop in income.

Community Action Hampshire

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For the year ended 31 March 2021

The issue of connectivity has resonated with EM3 LEP and there has been a meeting to discuss a proposed broadband infrastructure project (between Basingstoke and Guildford) which would deliver better access for rural locations on the route. The Rural Forum was approached by the ELM Convenor Partnership in Hampshire and asked to circulate its consultation survey to members. It has also been asked to act as a key stakeholder for the next stage of consultation. Activity in 2020 raised the profile of the Rural Forum. It is now being recognised as an effective way to cascade information to rural businesses and communities, to ensure rural input into consultations and to collect evidence to support decision making.

Indirect outcome – 52 additional contacts have been added to the Rural Forum membership list as a result of the survey. This has widened the reach of the Forum in rural Hampshire.

3. Social Enterprise

1 April 2020 to 31 March 2021

The coronavirus impact has had a huge effect on our students and fellows' projects and organisations, as well as the people they work with and support. In line with government guidelines, we made changes to the delivery of our programmes. All face-to-face elements of the programmes; training delivery, networking and mentoring have taken place via Zoom.

Lloyds Bank Social Entrepreneurs Programme

Over the last 12 months, the SE team have virtually delivered:

15	Study Days
8	Action Learning sets
30	Assessment interviews as part of the recruitment for the 2020/21 Lloyds start-up programme
2	Dragons Den assessment panels
52	Weekly virtual coffee mornings

Recruitment for the 10th and final year of the Lloyds Bank funded start-up programme is in full swing. Forty applicants have applied for a place on the 2021/22 SSE Hampshire programme.

Community Business Trade Up programme

The CBTU programme for our third and final cohort of community businesses was delivered virtually from April to October 2020. Nine community businesses successfully graduated from the programme, at a virtual celebration event in December 2020.

To support community businesses to recover and rebuild through the pandemic, we received additional funding from Power to Change and SSE to run an Additional Support Programme. Eight of our community businesses from the 2018-19 and 2020 cohorts attended a learning programme of four action learning sessions and four study day sessions.

Community Action Hampshire

Report of the trustees

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Inspiring Enterprise Programme (IEP)

Funding for the IEP project came to an end in December 2020 after a four-year period. During the project, which Action Hampshire delivered in partnership with four other organisations, we supported over 1000 participants into self-employment, employment or into training or education.

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

4. Research and Engagement

Over the past year, Action Hampshire has pulled back from our usual research and engagement remit, due to the ramifications of Covid. Covid has impacted this work in several ways:

1. We have needed to redirect our focus to the provision of advice and information. This has been incredibly well received, and our weekly Covid newsletter "Important stuff you need to know right now" has now reached 51 editions and over 1,600 subscribers each week.
2. Our beneficiaries are struggling to keep up with demand for their services, and are being asked by stakeholders for significant amounts of information. We felt that carrying out our normal research activities risked adding to their burden, rather than easing it.

Voluntary sector

We have several pieces of research 'in the pipeline' for 2021/22:

1. Research about grant giving and funding priorities on behalf the Hampshire and Isle of Wight Community Foundation
2. Focus groups with VCSEs to understand their needs going forward
3. New research into the state of the sector funded by Hampshire County Council's Contain Outbreak Management Fund (COMF).

Rural recovery

We provide the secretariat function for the Hampshire Rural Forum. The focus of activity during the year has been on undertaking research into the impact of Covid-19 on rural businesses and enterprises and challenges and opportunities going forward. The responses from a survey were explored in greater detail through themed focus groups. A report, prepared for the Hampshire and IoW Local Resilience Forum, made a number of recommendations for action to help ensure the resilience of rural businesses and enterprises in the future.

Wessex Cancer Alliance

Communities against Cancer, our work for Wessex Cancer Alliance has been recommissioned and a new programme started in January 2021. It is proving extremely successful in engaging those who are seldom heard such as: people with brain injury, people with learning difficulties, people from BME communities. Covid has of course presented significant challenges, but we have found creative ways to overcome these obstacles and continue our work.

Community Action Hampshire

Report of the trustees

For the year ended 31 March 2021

Community engagement

We are delivering a pilot 'Warm Hubs' project, funded by an energy distributor. Three pop-up sessions were set up for March in partnership with Surrey Community Action. The three sessions are now on hold until in-person events can be run once more. The aim of this project is to help people keep warm at home and to reduce their bills.

Financial Review

Net Incoming/Outgoing Resources

Unrestricted funds show net outgoing resources for the year of £312,207 before accounting for an actuarial loss on the pension fund of £80,000, and a gain on investments of £394,715, and transfers to restricted funds of £32,200. Restricted funds show net incoming resources for the year, after transfers as above of £102,658.

The charity received core infrastructure funding from Hampshire County Council, totaling 6% (2020: 8%) of its grant income for the year. A further 6% (2020: 6%) of grant income was provided by Defra via an agreement with Action with Communities in Rural England (ACRE). Grants from all sources represent 69% (2020: 63%) of the charity's total incoming resources.

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 £67,816 was slightly under the income target for the financial year. This met the requirement to maintain capital value. Full details of the 2020-21 performance are given in the financial statements at note 13. In calendar year 2021 the forecast annual investment income is £60,000.

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 (£545,512). At 31 March 2021, after taking into account the pension scheme liability, unrestricted reserves were £200,021. Of these £nil related to fixed assets. Designated funds totaling £185,000 were held in respect of premises lease and maintenance, general business development and SSE Hampshire development.

Unrestricted reserves represent 2.2 months' worth of unrestricted expenditure.

Community Action Hampshire

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There is no expectation that the pension fund will need to be distributed in full during the next twelve months and therefore there will be no requirement to make good the pension scheme liability of £2,212,000. As at 31 March 2021, the charity had cash reserves of £116,409, together with £140,278 and £2,568,884 of investments held in the CCLA COIF Charities Deposit and Investment Funds respectively.

Covid 19 has impacted the charity's activities, income and investments. The value of the investments held in CCLA were at their lowest value as at the year-end in March 2020. Their value has increased since then and was £2,709,162 in March 2021.

Activities have had to change due to the coronavirus pandemic, and plans for 2020/21 and 2021/22 were revised due to the current environment. The senior leadership team and trustees are working on revised plans for the future, supporting our members and beneficiaries and taking advantage of emerging opportunities.

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

Plans for Future Periods

As noted earlier in the report, Sue Dovey and Kirsty Rowlinson have both left Action Hampshire since the end of the year after 15 and 16 years respectively as part of the Senior Leadership Team. Sue is moving away from the area and Kirsty has joined another organisation. The Board would like to thank both Sue and Kirsty for the huge contributions they have made to Action Hampshire and Hampshire's communities. We would like to welcome Kate Shurety and Leah Campbell to the team.

Traditional grant income, from both local and national government, has declined by approximately 80% over the last five years. We are 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 April 2019 the Charity went into partnership with IncuHive, marketing unutilised space in our Westgate Chambers premises. We now have two co-working spaces with individual desks, several offices and a meeting room available to hire. This has proved very successful, and has generated significant income for the Charity. A charity/social enterprise hub 'Impact SE' is being launched in summer 2021.

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 (excluding unincorporated groups) 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 2021 was 80 (2020:27). A new paid membership scheme was introduced in February 2020, member numbers fell as a result, but are increasing steadily.

As of 31 March 2021, Action Hampshire had 80 full voting members. Full members comprise voluntary, community and social enterprise organisations (including unincorporated groups and individuals). Associate members are private or public sector organisations with an interest in the voluntary, community or social enterprise sector, including social enterprises that are private limited companies.

Community Action Hampshire

Report of the trustees

For the year ended 31 March 2021

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 2021, there were 8 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. The Chief Executive is responsible to the Board for the implementation of policies and decisions.

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. Related party transactions are reported in note 10.

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 and note 10 to the accounts.

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The pay of senior staff is reviewed annually and normally increased in accordance with cost-of-living increases, when finances allow.

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 and capital from long-term investments when needed. In April 2019 the charity entered a partnership with IncuHive, a local company marketing co-working space. This has generated additional income for the charity using unoccupied space in the Winchester premises.

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
- 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 adequate 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.

Community Action Hampshire

Report of the trustees

For the year ended 31 March 2021

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
14 October 2021

Independent examiner's report

To the members of

Community Action Hampshire

I report on the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

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 charity's 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 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 Accountants 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

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.

Fleur Holden FCA

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

22 October 2021

Community Action Hampshire

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

For the year ended 31 March 2021

	Note	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Income from:					
Donations and grants	3	44,800	–	44,800	57,950
Charitable activities					
Support for Voluntary & Community Groups	4	–	206,246	206,246	40,404
Support for Communities	4	11,794	223,925	235,719	230,834
Policy & Information	4	95,372	–	95,372	90,177
Support for Social Enterprise	4	1,141	177,198	178,339	170,447
Engagement and Research	4	–	9,000	9,000	10,952
Grant Making	4	4,441	33,118	37,559	157,595
Investments		68,138	–	68,138	177,028
Total income		225,686	649,487	875,173	935,387
Expenditure on:					
Raising funds	5	23,110	–	23,110	23,741
Charitable activities					
Support for Voluntary & Community Groups	5	112,261	173,281	285,542	158,249
Support for Communities	5	116,585	178,821	295,406	415,374
Policy & Information	5	167,898	–	167,898	171,042
Support for Social Enterprise	5	109,568	199,995	309,563	326,387
Engagement and Research	5	7,700	–	7,700	39,051
Grant Making	5	771	26,932	27,703	155,203
Total expenditure		537,893	579,029	1,116,922	1,289,047
Net income/(expenditure) before net gains / (losses) on investments		(312,207)	70,458	(241,749)	(353,660)
Net gains / (losses) on investments		394,715	–	394,715	(130,738)
Net income / (expenditure) for the year	7	82,508	70,458	152,966	(484,398)
Transfers between funds		(32,200)	32,200	–	–
Net income / (expenditure) before other recognised gains and losses		50,308	102,658	152,966	(484,398)
Actuarial (losses) / gains on defined benefit pension schemes		(80,000)	–	(80,000)	(437,000)
Net movement in funds		(29,692)	102,658	72,966	(921,398)
Reconciliation of funds:					
Total funds brought forward		229,712	55,163	284,875	1,206,272
Total funds carried forward		200,021	157,821	357,842	284,874

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 2021

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	12		-		-
Intangible assets	12		-		4,075
Investments	13		2,712,362		2,279,731
			<u>2,712,362</u>		<u>2,283,806</u>
Current assets:					
Debtors	14	176,384		89,833	
Cash at bank and in hand		116,409		108,272	
		<u>292,793</u>		<u>198,105</u>	
Liabilities:					
Creditors: amounts falling due within one year	15	435,313		102,036	
		<u>435,313</u>		<u>102,036</u>	
Net current (liabilities)/assets			<u>(142,520)</u>		<u>96,069</u>
Net assets excluding pension liability			<u>2,569,842</u>		<u>2,379,875</u>
Defined benefit pension scheme liability	17		2,212,000		2,095,000
Total net assets			<u><u>357,842</u></u>		<u><u>284,875</u></u>
The funds of the charity:	19a				
Restricted income funds			157,821		55,163
Unrestricted income funds:					
Designated funds		185,000		686,563	
Fair value reserve		1,035,306		640,591	
General funds		1,191,715		997,558	
Pension reserve		(2,212,000)		(2,095,000)	
		<u>(2,212,000)</u>		<u>(2,095,000)</u>	
Total unrestricted funds			<u>200,021</u>		<u>229,712</u>
Total charity funds			<u><u>357,842</u></u>		<u><u>284,875</u></u>

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:

- (i) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with Section 476,
- (ii) 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 14 October 2021 and signed on their behalf by



Oliver Rowe
Chairman

Community Action Hampshire

Statement of cash flows

For the year ended 31 March 2021

	Note	2021 £	£	2020 £	£
Cash flows from operating activities	20				
Net cash (used in)/provided by operating activities			(22,185)		(689,283)
Cash flows from investing activities:					
Dividends and interest from investments		68,138		177,028	
Proceeds from sale of investments		30,000		615,000	
Purchase of investments		(67,816)		(183,669)	
Net cash provided by investing activities			30,322		608,359
Change in cash and cash equivalents in the year			8,137		(80,924)
Cash and cash equivalents at the beginning of the year			108,272		189,196
Cash and cash equivalents at the end of the year			116,409		108,272

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2021

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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) 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. In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

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.

COVID-19 has changed the circumstances under which the charity operates, it has impacted the way that services are delivered, and has meant changes being made to plans for future income generation. However, 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.

The charity has net assets of £357,842 at the year end. This includes a deficit in respect of the Local Government Pension Scheme of £2,212,000. There is no expectation that the pension fund will need to be distributed in full during the next twelve months and therefore there will be no requirement to make good the pension fund liability. Net current liabilities are £142,520, but the charity has a cash balance of £116,409 and investments of £2,712,362. There was a net increase in funds for the year of £72,966. On this basis, the trustees consider it appropriate to prepare the financial statements on the going concern basis. This assumes that the charity will continue in operational existence for the foreseeable future. In making this assessment the trustees have reviewed the balance sheet, the likely future cash flows of the charity and have considered the funds available at this point in time.

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.

1 Accounting policies (continued)

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.

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) Non-listed investments

Non-listed investments are recognised at cost.

n) Debtors

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

o) 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.

p) 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.

q) Financial Instruments

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

1 Accounting policies (continued)

r) 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 £	2020 Total £
Income from:			
Donations and grants	57,950	-	57,950
Charitable activities	108,654	591,755	700,409
Investments	177,028	-	177,028
Total income	343,632	591,755	935,387
Expenditure on:			
Raising funds	23,741	-	23,741
Charitable activities	500,297	765,009	1,265,306
Total expenditure	524,038	765,009	1,289,047
Net expenditure before losses on investments	(180,406)	(173,254)	(353,660)
Net gains/(losses) on investments	(130,738)	-	(130,738)
Net expenditure	(311,144)	(173,254)	(484,398)
Transfers between funds	(16,762)	16,762	-
Net expenditure before other recognised gains and losses	(327,906)	(156,492)	(484,398)
Actuarial (losses)/gains on defined benefit pension	(437,000)	-	(437,000)
Net movement in funds	(764,906)	(156,492)	(921,398)
Total funds brought forward	994,617	211,655	1,206,272
Total funds carried forward	229,711	55,163	284,874

3 Income from donations and grants

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Hampshire County Council (HCC) grants	44,800	-	44,800	57,950	-	57,950
	44,800	-	44,800	57,950	-	57,950

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2021

4 Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Local Trust for Fratton Big Local	-	96,086	96,086	-	33,745	33,745
Fees, contracts and charges	-	110,160	110,160	-	6,659	6,659
Sub-total for Voluntary & Community Groups	-	206,246	206,246	-	40,404	40,404
Defra for Rural Community Action Network	-	45,675	45,675	-	45,275	45,275
Hampshire Alliance for Rural Affordable	-	-	-	-	130,477	130,477
Community Led Housing Fund	-	-	-	-	40,000	40,000
Hampshire Homes Hub	-	178,250	178,250	-	11,750	11,750
HMRC CJRS	8,596	-	8,596	-	-	-
Fees	3,198	-	3,198	3,332	-	3,332
Sub-total for Support for Communities	11,794	223,925	235,719	3,332	227,502	230,834
Fees and charges	87,730	-	87,730	90,177	-	90,177
HMRC CJRS	7,642	-	7,642	-	-	-
Sub-total for Policy & Information	95,372	-	95,372	90,177	-	90,177
Lloyds Bank for School for Social	-	90,084	90,084	-	100,205	100,205
Solent LEP	-	43,500	43,500	-	-	-
Big Lottery Fund Building Better Opportunities	-	43,614	43,614	-	66,049	66,049
HMRC CJRS	334	-	334	-	-	-
Fees, charges and other income	807	0	807	4,193	-	4,193
Sub-total for Social Enterprise	1,141	177,198	178,339	4,193	166,254	170,447
Fees, contracts and charges	-	9,000	9,000	10,952	-	10,952
Sub-total for Engagement and Research	-	9,000	9,000	10,952	-	10,952
WCA Communities Against Cancer	-	23,118	23,118	-	148,258	148,258
HMRC CJRS	4,441	-	4,441	-	-	-
Local Trust for Fratton Big Local	-	10,000	10,000	-	9,337	9,337
Sub-total for Grant Making	4,441	33,118	37,559	-	157,595	157,595
Total income from charitable activities	112,748	649,487	762,235	108,654	591,755	700,409

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2021

5 Analysis of expenditure (current year)

	Charitable activities									2021 Total £	2020 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)	6,977	73,925	137,093	65,766	87,376	1,608	21,657	6,188	303,658	704,248	783,165
Other staff costs	-	-	223	(0)	740	28	-	-	1,410	2,401	11,573
Trustees' costs	-	-	-	-	-	-	-	262	-	262	1,125
Operating costs	8,331	113,218	56,362	39,377	116,935	1,469	8,197	2,387	58,598	404,874	379,513
Grants payable	-	-	-	-	-	-	(2,151)	-	-	(2,151)	104,256
Depreciation/amortisation	-	-	-	4,076	-	-	-	-	-	4,076	6,265
Independent examination and accountancy	-	-	-	-	-	-	-	3,213	-	3,213	3,150
	15,308	187,143	193,678	109,218	205,051	3,105	27,703	12,050	363,666	1,116,922	1,289,047
Support costs	7,802	95,386	98,716	55,667	104,512	1,583	-	-	(363,666)	-	-
Governance costs	-	3,013	3,013	3,013	-	3,012	-	(12,050)	-	-	-
Total expenditure 2021	23,110	285,542	295,406	167,898	309,563	7,700	27,703	-	-	1,116,922	
Total expenditure 2020	23,741	158,249	415,374	171,042	326,387	39,051	155,203	-	-	-	1,289,047

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2021

5 Analysis of expenditure (prior year)

	Charitable activities									2020 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)	8,882	52,476	179,397	71,399	111,458	12,751	35,932	7,878	302,992	783,165
Other staff costs	-	879	5,179	878	673	250	726	-	2,988	11,573
Trustees' costs	-	-	-	-	-	-	-	1,125	-	1,125
Operating costs	7,215	51,482	94,606	34,969	109,177	11,012	14,289	2,387	54,375	379,513
Grants payable	-	-	-	-	-	-	104,256	-	-	104,256
Depreciation/amortisation	-	-	-	6,265	-	-	-	-	-	6,265
Independent examination and accountancy	-	-	-	-	-	-	-	3,150	-	3,150
	16,098	104,837	279,182	113,511	221,308	24,014	155,203	14,541	360,355	1,289,047
Support costs	7,643	49,777	132,558	53,896	105,079	11,402	-	-	(360,355)	-
Governance costs	-	3,635	3,635	3,635	-	3,635	-	(14,541)	-	-
Total expenditure 2020	23,741	158,249	415,374	171,042	326,387	39,051	155,203	-	-	1,289,047

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2021

6 Grant Making

	Grants to institutions £	2021 £	2020 £
Wessex Cancer Alliance / Communities Against Cancer	(5,511)	(5,511)	101,348
Fratton Big Local Community Grants	3,360	3,360	2,908
	<u>(2,151)</u>	<u>(2,151)</u>	<u>104,256</u>

Wessex Cancer Alliance / Communities Against Cancer

42 grants were paid to eligible community groups/organisations in 2019/20, ranging from £200 to £10,000. In 2020/21 1 grant paid out in 2019/20 was repaid unspent due to Covid-19/lockdown restrictions, and 1 grant was paid to a community group, and then repaid in the year.

Fratton Big Local Community Grants

4 grants were paid to eligible community groups in Fratton, totalling £3,360 and ranging in value from £500 to £1,320. In addition £0 (2020 £758) 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:

	2021 £	2020 £
Depreciation and amortisation	4,076	6,265
Operating lease rentals:		
Property	98,738	81,563
Other	283	502
Independent examination fee (excluding VAT)	3,250	3,100
	<u>106,347</u>	<u>91,430</u>

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

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	465,897	507,870
Social security costs	45,323	46,210
Operating costs of defined benefit pension schemes	190,000	227,000
Contributions to defined contribution pension schemes	3,029	2,085
	<u>704,248</u>	<u>783,165</u>

No employee earned more than £60,000 during the year (2020: nil).

The total employee benefits including pension contributions and employer's NI of the key management personnel were £203,000 (2020: £202,719).

No termination payments were made to any employees (2020: £Nil).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £0 (2020: £173) incurred by 0 (2020: 3) members relating to attendance at meetings of the trustees. All meetings were held virtually during 2020/21.

9 Staff numbers

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

	2021 No.	2020 No.
Support for Voluntary & Community Groups	2.8	2.9
Support for Communities	6.1	3.8
Policy & Information	2.0	2.0
Support for Social Enterprise	3.0	3.8
Engagement and Research	0.5	0.4
Support and administration	8.0	8.3
	<u>22.3</u>	<u>21.2</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.

Julie Amies, a Trustee appointed in October 2019 is CEO of Energise Me, a charity which has rented 2 rooms in Westgate Chambers from March 2018. Rental income received from Energise Me 2021: £32,400 (2020: £29,700).

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 £
Cost				
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>
Depreciation/amortisation				
At the start of the year	20,782	36,586	12,977	70,345
Charge for the year	4,076	-	-	4,076
At the end of the year	<u>24,857</u>	<u>36,586</u>	<u>12,977</u>	<u>74,420</u>
Net book value				
At the end of the year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At the start of the year	<u>4,075</u>	<u>-</u>	<u>-</u>	<u>4,075</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 2021

13 Investments

	2021 £	2020 £
Fair value at the start of the year	2,279,731	2,841,800
Additions at cost	67,816	180,669
Disposal proceeds	(30,000)	(615,000)
Net (loss)/gain on change in fair value	394,715	(130,738)
Investment in Community Infrastructure Partnership CIC	100	-
Investment in Cirican LLP	-	3,000
Fair value at the end of the year	<u>2,712,362</u>	<u>2,279,731</u>

Investments comprise:

	2021 £	2020 £
CCLA COIF Charities Property Fund	-	-
CCLA COIF Charities Fixed Interest Fund	-	-
CCLA COIF Charities Investment Fund	2,568,884	1,924,169
CCLA COIF Charities Deposit Fund	140,278	352,462
Investment in Subsidiary – AH Activate Ltd	100	100
Investment in Community Infrastructure Partnership CIC	100	-
Investment in Cirican	3,000	3,000
	<u>2,712,362</u>	<u>2,279,731</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.

During 2019/20 the charity made a £3,000 investment in Cirican LLP, a Limited Liability Partnership with ACRE and 16 other Rural Community Councils.

During 2019/20 the charity made a £100 investment in Community Infrastructure Partnership a Community Interest Company with 6 other CVSs.

14 Debtors

	2021 £	2020 £
Trade debtors	157,884	56,149
Prepayments	18,500	33,684
	<u>176,384</u>	<u>89,833</u>

15 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	34,952	37,511
Other creditors	23,493	14,764
Accruals	50,752	626
Deferred income (Note 16)	326,116	49,134
	<u>435,313</u>	<u>102,036</u>

16 Deferred income

	2021 £	2020 £
Balance at the beginning of the year	49,134	289,432
Amount released to income in the year	(49,134)	(289,432)
Amount deferred in the year	326,116	49,134
Balance at the end of the year	<u>326,116</u>	<u>49,134</u>

Deferred income comprises £326,116 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 2020 81% of eligible employees were members (2019 88%). The employer's contribution for 2019/20 is 18.6% plus a fixed contribution of £61,500 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 year ending 31 March 2021

The Employer's regular contributions to the Fund for the accounting period ending 31 March 2021 are £76,000 (2020 £140,000).

Assumptions

The latest actuarial valuation of the Hampshire County Council Pension Fund and Action Hampshire's liabilities took place on 31 March 2019. 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

	2021 % p.a	2020 % p.a
Discount Rate	2.1	2.3
CPI Inflation	2.7	2.0
Rate of increase to pensions in payment	2.7	2.0
Pension accounts revaluation rate	2.7	2.0
Rate of general increase in salaries	3.7	3.0

Principal Demographic Assumptions

Assumed Life Expectancy at 65	2021	2020
Males		
Member aged 65 at accounting date	23.1	23.0
Member aged 45 at accounting date	24.8	24.7
Females		
Member aged 65 at accounting date	25.5	25.5
Member aged 45 at accounting date	27.3	27.2

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.

	2021 % p.a	2020 % p.a
Equities	57	52.6
Property	6.1	7.0
Government Bonds	17.3	21.2
Corporate Bonds	-	-
Cash	1.4	3.4
Other	18.2	15.8
Total	100.0	100.0

17 Pension scheme (continued)

Reconciliation of funded status of Action Hampshire to balance sheet	2021 £m	2020 £m
Fair value of assets	5.43	4.30
Present value of funded defined benefit obligation	(7.65)	(6.40)
Pension liability recognised on the balance sheet	<u>(2.21)</u>	<u>(2.10)</u>

Analysis of amount charged to net incoming resources	2021 £m	2020 £m
Current service cost	0.14	0.16
Past service costs	0.00	0.03
Interest on net defined benefit liability / (asset)	0.05	0.04
Total expense recognised	<u>0.19</u>	<u>0.23</u>

Changes to the fair value of liabilities during the year	2021 £m	2020 £m
Opening present value of liabilities	6.40	6.16
Current service cost	0.14	0.16
Interest cost on pension scheme liabilities	0.15	0.15
Contributions by participants	0.03	0.03
Actuarial (gains)/losses on liabilities*	1.09	0.04
Net benefits paid out**	(0.16)	(0.17)
Past service costs	-	0.03
Closing present value of liabilities	<u>7.65</u>	<u>6.40</u>

*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	2021 £m	2020 £m
Opening fair value of assets	4.30	4.59
Interest income on assets	0.10	0.11
Actuarial gains/(losses) on assets	1.08	(0.40)
Contributions by the employer	0.08	0.14
Contributions by participants	0.03	0.03
Net benefits paid out	(0.16)	(0.17)
Closing fair value of assets	<u>5.43</u>	<u>4.30</u>

Actual return on assets	2021 £m	2020 £m
Interest income on assets	0.10	0.11
Gain / (loss) on assets	1.08	(0.40)
Closing fair value of assets	<u>1.18</u>	<u>(0.29)</u>

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2021

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

	General unrestricted, Fair Value and Pension Reserve £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	-	-	-
Intangible fixed assets	-	-	-	-
Investments	2,527,362	185,000	-	2,712,362
Net current (liabilities) / assets	(300,341)	-	157,821	(142,520)
Defined benefit pension liability	(2,212,000)	-	-	(2,212,000)
Net assets at 31 March 2021	15,021	185,000	157,821	357,842

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

	General unrestricted, Fair Value and Pension Reserve £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	-	-	-
Intangible fixed assets	4,075	-	-	4,075
Investments	1,593,168	686,563	-	2,279,731
Net current assets	40,906	-	55,163	96,069
Defined benefit pension liability	(2,095,000)	-	-	(2,095,000)
Net assets at 31 March 2020	(456,851)	686,563	55,163	284,875

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2021

19a Movements in funds (current year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
Building Better Opportunities	(28,944)	43,614	(14,670)	-	-
Rural Community Action Network	-	45,675	(45,675)	-	-
School for Social Entrepreneurs	-	36,620	(46,807)	10,187	-
Hampshire Rural Forum	-	6,300	(6,300)	-	-
Joining Forces for Families	(2,747)	4,686	(1,939)	-	-
Power To Change	10,061	39,864	(55,664)	5,739	-
Power To Change – COVID	-	13,600	(17,600)	4,000	-
Wessex Cancer Alliance	-	23,118	(23,118)	-	-
VCSEP	-	9,500	(4,750)	-	4,750
Fratton Big Local	32,610	106,086	(74,628)	-	64,068
COMF	-	16,835	-	-	16,835
HIVE	-	12,000	(10,454)	-	1,546
Solent LEP	-	43,500	(31,675)	-	11,825
Scottish & Southern Energy	-	9,000	-	-	9,000
HIWCF Digital	-	55,840	(64,631)	8,791	-
Hampshire Homes Hub	44,183	178,249	(172,635)	-	49,797
Catalyst Digital	-	5,000	(8,483)	3,483	-
Total restricted funds	55,163	649,487	(579,029)	32,200	157,821
Unrestricted funds:					
Designated funds:					
Westgate Chambers Lease & Maintenance	544,000	68,138	(114,489)	(397,649)	100,000
Action Hampshire Business Development	72,563	-	-	(22,563)	50,000
School for Social Entrepreneurs Development	70,000	-	-	(35,000)	35,000
Total designated funds	686,563	68,138	(114,489)	(455,212)	185,000
Fair value reserve	640,591	-	394,715	-	1,035,306
General funds	997,558	105,535	(334,391)	423,012	1,191,715
Total unrestricted funds	2,324,712	173,673	(54,165)	(32,200)	2,412,021
Pension reserve	(2,095,000)	-	(117,000)	-	(2,212,000)
Total funds including pension fund liability	284,875	823,160	(750,194)	-	357,842

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 2021

19b Movements in funds (prior year)

	At 1 April 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2020 £
Restricted funds:					
Building Better Opportunities	(10,197)	66,049	(84,795)	-	(28,944)
Hampshire Rural Forum	(572)	6,659	(6,087)	-	-
Joining Forces for Families	642	-	(3,389)	-	(2,747)
Power To Change	(1,856)	64,303	(52,386)	-	10,061
Wessex Cancer Alliance	-	148,258	(148,258)	-	-
Fratton Big Local	72,489	43,082	(82,961)	-	32,610
Hampshire Alliance for Rural Affordable Housing	78,164	130,477	(153,284)	(55,357)	-
Community Led Housing Fund	20,442	40,000	(60,442)	-	-
Hampshire Homes Hub	-	11,750	(22,924)	55,357	44,183
Hampshire Independent Equality Forum	813	-	(813)	-	-
Hampshire Interfaith Network	10,019	-	(10,019)	-	-
Rural Community Action Network	25,518	45,275	(70,793)	-	-
School for Social Entrepreneurs	-	35,902	(52,664)	16,762	-
Social Enterprise Network	1,297	-	(1,297)	-	-
Sounding Board	10,403	-	(10,403)	-	-
Young Entrepreneurs	4,495	-	(4,495)	-	-
Total restricted funds	211,655	591,755	(765,009)	16,762	55,163
Unrestricted funds:					
Designated funds:					
Westgate Chambers Lease & Maintenance	782,500	177,028	(116,576)	(298,952)	544,000
Action Hampshire Business Development	72,563	-	-	-	72,563
School for Social Entrepreneurs Development	105,000	-	-	(35,000)	70,000
Total designated funds	960,063	177,028	(116,576)	(333,952)	686,563
Fair value reserve	640,591	-	-	-	640,591
General funds	963,963	166,604	(450,200)	317,190	997,558
Total unrestricted funds	2,564,617	343,632	(566,776)	(16,762)	2,324,712
Pension reserve	(1,570,000)	-	(525,000)	-	(2,095,000)
Total funds including pension fund liability	1,206,272	935,387	(1,856,785)	-	284,875

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2021

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 2020/21.

Hampshire Rural Forum

Funding for Action Hampshire to provide the secretariat role for the Hampshire Rural Forum.

Joining Forces for Families

Funding for the production of an evaluation study to assess the effectiveness of the Joining Forces for Families project. The deficit balance is expected to be received in 2020/21.

Power To Change

Funding to run the Community Business Trade Up programme.

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

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.

Purposes of restricted funds (continued)

Power to Change – COVID

Funding to run a special COVID support programme for Community Businesses.

VCSEP

NAVCA –VCSEP Local Infrastructure Network Grant to support Action Hampshire's liaison role with the National Emergency Partnership.

COMF

Covid Outbreak Management Fund grant to focus on assessing impact of Covid on the Sector and its capacity to support the recovery.

HIVE NHS First Responders

Grant from the NHS to carry out research into volunteering during the pandemic in wider Hampshire. Action Hampshire have been commissioned to liaise with all the CVSS across Hampshire, Southampton and IOW to get data from their volunteer centres.

Solent LEP

Provision of Action Learning facilitators for the Solent LEP Peer to Peer Network Programme.

Scottish and Southern Electricity Network

Providing free, accessible and practical information to assist with day to day budgeting, saving money, saving energy and staying safe easier to understand.

HIWCF Strategic Digital Funding

Delivery of training, workshops and coaching aiming to build digital capacity in the sector.

Catalyst Digital

Developing 'digital' expertise within Action Hampshire.

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2021

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.

Action Hampshire Business Development

Funding to support the development of new business initiatives at Action Hampshire, this was delayed due to COVID and 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

Transfers of £32,200 were made from the School for Social Entrepreneurs Development designated fund to restricted funds to meet the deficit in external grant funding in 2020/21.

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

	2021 £	2020 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	152,966	(484,398)
Depreciation charges	4,076	6,265
(Gains)/losses on investments	(394,715)	130,738
Dividends and interest from investments	(68,138)	(177,028)
Difference between pension cost charges to SOFA and cash contributions paid	36,900	88,001
(Increase)/Decrease in debtors	(86,551)	348
Increase in creditors	333,277	(253,209)
Net cash (used in) / provided by operating activities	(22,185)	(689,283)

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	
	2021 £	2020 £	2021 £	2020 £
Less than one year	86,000	86,000	-	502
One to five years	172,000	258,000	-	-
	258,000	344,000	-	502

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.