

3132873

**COMMUNITY ACTION HAMPSHIRE**  
**FINAL ACCOUNTS**  
**FOR THE YEAR ENDING**  
**31 MARCH 1999**



**COMMUNITY ACTION**  
HAMPSHIRE

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**COMMUNITY ACTION HAMPSHIRE**

Registered Charity  
Charity Number: 1053806

**Trustees' Report and Financial Statements**

Company Limited by Guarantee  
Company Registration Number: 3162873

**Directors' Report for the Year Ending 31 March 1999**

## **CONSTITUTION AND OFFICERS**

Community Action Hampshire is a company limited by guarantee and is a registered charity. It converted to a company on 1 April 1996 and was previously an unincorporated association formed in 1951.

The trustees were chosen under a ballot system from the previous unincorporated association. Elections will be held on 22 September 1999 at the third Annual Meeting of Community Action Hampshire, when one third of the elected trustees will step down.

The objectives of the company are as follows:

- To promote any charitable purposes for the benefit of the community in the area comprising the historic county of Hampshire, and in particular the advancement of education, the protection of health and the relief of poverty, distress and sickness;
- To promote and organise co-operation with the statutory authorities and voluntary organisations in furtherance of the above purpose within the area of benefit.

## **TRUSTEES AT 4 AUGUST 1999**

Dilys Hill	Chairperson
Kay Young, OBE	Vice Chairperson
Freddie Allgood	
Michael Barker	
Michael Best	
Keith Best	
Brian Challis	
Richard Green-Wilkinson	
Margaret Mitchell	
Lis Reddrop	
Chris Rich	

## **CHIEF EXECUTIVE AND COMPANY SECRETARY**

Helen Horton

## **REGISTERED OFFICE**

Beaconsfield House  
Andover Road  
Winchester  
Hampshire SO22 6AT

## **AUDITORS**

BKL Weeks Green  
Staple Gardens  
Winchester  
Hampshire SO23 9EJ

**PRINCIPAL BANKERS**    Lloyds Bank PLC  
49 High Street  
Winchester  
Hampshire    SO23 9BU

**SOLICITORS**            White and Bowker  
19 St. Peter Street  
Winchester  
Hampshire    SO23 8UB

## **FINANCIAL STATEMENTS**

The trustees present their report, together with the audited consolidated financial statements of Community Action Hampshire, for the year ending 31 March 1999.

## **CONSTITUTION**

Community Action Hampshire is a registered charity and a company limited by guarantee by Memorandum and Articles of Association. The liability of members is limited to £10 each in the event of the company being wound up. The trustees of the charity are the directors for the Companies Act 1985 purposes. They delegate the day to day running of the charity to the Chief Executive.

## **PRINCIPAL ACTIVITIES**

The principal activities of Community Action Hampshire in the year under review were:

- a) Championing the causes of voluntary organisations by lobbying, extending the support infrastructure, developing the skillsbase;
- b) Disseminating and distributing information to empower voluntary groups;
- c) Promoting community development and undertaking research;
- d) Providing direct services to voluntary organisations and individuals.

Full details of the activities of Community Action Hampshire are contained in the 1999 Annual Report.

## **RESULTS AND FUTURE DEVELOPMENTS**

The Consolidated Statement of Financial Activities of Community Action Hampshire, reflecting a financial summary of the year's activities, is given on page 2 of the financial statements.

The General Community Account of the organisation encompasses the principal activities of a), b) and c) above. Hampshire County Council was the major funder and provided 48% of the total income for the year. Another important single funder was the Rural Development Commission, which provided 18% of the total income for the year. Hampshire County Council's grant of £187,575 is payable under a service level agreement (and the amount payable in 1999-2000 will be increased by 11.4% on last year's figure). The company contracts with the Rural Development Commission to the sum of £74,609 in the year to 31 March 1999, which will remain at the current level in 1999-2000. Sufficient provision has been made in the year ending 31 March 1999 to enable services to continue in line with the overall strategy of the organisation to the year ending 31 March 2000.

With regards to activity d) above, the provision of services to voluntary organisations and individuals has been increased with the growing support provided by the Community Resource Centre and will continue to grow due to the successful application for funding to the National Lottery Charities Board.

## **INCOME**

Total Income of £813,250 before capital fund movement of £73,698 fell by £31,914 (4%), compared with the previous period. The reduced total income was largely due to a drop in the UK Base Interest Rates which reduced our investment income, coupled with the cessation of our internal Reprographics service and the ACRE funding for the 21 Century Halls Project.

A number of projects which were still generating external income and/or contributing to the core service by way of a management fee were namely: Hampshire Voluntary Sector Training Consortium; Rural Action; Community Transport for East Hampshire and Hazelgrove.

## **EXPENDITURE**

Total Expenditure of £782,828 fell by £101,013 (13%), compared with the previous period. This was largely due to a number of projects that had matured in the previous year and therefore did not incur activity this year and the planned reduction of expenditure in the General Community Account. The Management and Administration cost increased mainly due to rises in office premises costs and external audit fees. The increase in audit fees is due to market forces and not increased work levels.

## **BALANCES FOR THE YEAR**

Fund balances carried forward at 1 April 1999 of £1,326,575 showed an increase from the previous year of £104,120 (8%). This sum of £1,326,575 is made up of Unrestricted Funds £89,608, Restricted Funds £175,727 and Capital (Restricted) Funds £1,061,240 (in respect of homes for adults with learning difficulties at 34/36 Lymington Road, New Milton, Hampshire). The insurance valuation of these freehold buildings was increased from the previous period by £73,698. The insurance valuation is based on the total cost of rebuilding in the event of fire etc. and is in accordance with the RIBA formula. Next year the valuation will be carried out on a market value basis to comply with the accounting standards.

There was an increase of £4,788 in Unrestricted Funds after transferring £3,741 to the Community Resource Centre for the final depreciation charge. This total transfer between funds of £3,741 resulted in a balance of £89,608. There were no unplanned calls upon the Unrestricted Funds.

Restricted Funds increased by £25,634 to £175,727 after receiving the above transfer of £3,741, mainly due to the income for the Village Shops Development Scheme.

## **RESERVES POLICY**

The trustees have agreed that the level of expendable funds required to ensure the continued smooth operation of the charity in the light of cash flow fluctuations should be maintained at between two and three months of unrestricted expenditure. Restricted Funds are designed to be self-sufficient and support themselves from their own reserves. Unrestricted Fund balances of £89,608 carried forward on the 1 April 1999 represent over two months expenditure based on the total to 31 March 1999. Community Action Hampshire operates 18 Restricted Funds valued at £1,236,967, which are set out on page 8 of the financial statements.

## **TRUSTEES DURING 1 APRIL 1998 TO 31 MARCH 1999**

The trustees in office during the year were as follows:

Dilys Hill	Chairperson
Kay Young OBE	Vice Chairperson
Freddie Allgood	
Brian Challis	
Godfrey Fey	
Richard Green-Wilkinson	
Margaret Mitchell	
Mary Ottaway	
Lis Reddrop	
Chris Rich	
Barbara Wells	

In accordance with the Articles of Association one third of the non co-opted trustees stand down at the Annual Meeting and can seek re-election. No trustee can serve continuously for more than nine years. Co-opted trustees leave office at the Annual Meeting following their co-option.

## **TRUSTEES' RESPONSIBILITIES**

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 company and the surplus or deficit for the year. In preparing those financial statements, the trustees have:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that are reasonable and prudent;
- Stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepared the financial statements on the going concern basis.

The trustees are responsible for maintaining proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

During the year the valuation of services provided by the trustees in the general operation of their duties as trustees amounted to £30,000 for which no trustee received any remuneration.

## **VOLUNTEERS AND EMPLOYEES**

In addition to the 11 trustees, during the year 33 volunteers supported Community Action Hampshire. Volunteers assisted the residents and staff at the homes for adults with learning difficulties at New Milton, Hampshire and also provided drivers for transporting elderly and disabled people under the Community Transport Project in East Hampshire.



During the year Community Action Hampshire employed an average of 27 paid staff and the total payroll amounted to over £444,000. Considerable technical assistance was received from Hampshire County Council in support of employment matters for which no charge was made.

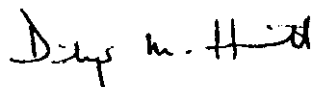
#### **AUDITORS**

The trustees have agreed that the external audit function shall be placed out to tender for the auditing of the 1999-2000 final accounts. The increase in fees by BKL Weeks Green to parallel the market rate has led to the need to reassess this function and after several years service BKL Weeks Green will be invited to tender.

#### **YEAR 2000 COMPLIANCE**

The trustees have assessed the risks and uncertainties associated with the year 2000 position and consider that the effects and total estimated rectification costs will be immaterial to the charity.

The Board approved this report on 4 August 1999.



Dilys Hill  
Chairperson of the Board of Trustees  
27 August 1999.

**COMMUNITY ACTION HAMPSHIRE**

**FINANCIAL STATEMENTS FOR THE  
YEAR ENDING 31 MARCH 1999**

## **REPORT OF THE AUDITORS TO THE TRUSTEES OF COMMUNITY ACTION HAMPSHIRE ON THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1999**

We have audited the financial statements on pages 2 to 8 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 4.

### **Respective responsibilities of directors and auditors**

As described in the Trustees Report the directors (who also act as trustees for the charitable activities of Community Action Hampshire) are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you.

### **Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

### **Opinion**

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs as at 31 March 1999 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Date: **8th SEPTEMBER 1999**

Staple House  
Staple Gardens  
Winchester  
Hampshire  
SO23 9EJ



**BKL WEEKS GREEN**

**CHARTERED ACCOUNTANTS**  
**REGISTERED AUDITOR**

**COMMUNITY ACTION HAMPSHIRE  
STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDING 31 MARCH 1999**

	Notes	Unrestricted Funds £	Restricted Funds £	Restricted Capital Funds £	Total Funds 1999 £	Total Funds 1998 £
<b>Income and Expenditure</b>						
<b>Incoming Resources</b>						
Local authority grants		233,575	23,150	0	256,725	305,38
Rural Development Commission		74,609	30,813	0	105,422	84,54
Social Services contracts		10,400	138,831	0	149,231	111,61
DSS Benefits for Residents		0	131,114	0	131,114	133,46
Health Commission grant		0	25,500	0	25,500	
Investment income		24,221	1,827	0	26,048	33,57
Other incoming resources		71,845	47,365	0	119,210	167,92
Home Office		0	0	0	0	8,66
<b>Total Incoming Resources</b>		<b>414,650</b>	<b>398,600</b>	<b>0</b>	<b>813,250</b>	<b>845,16</b>
<b>Resources Expended</b>						
Direct charitable expenses	4	349,169	328,592	0	677,761	786,51
Management and administration of the charity	5	56,952	48,115	0	105,067	97,32
<b>Total Resources Expended</b>		<b>406,121</b>	<b>376,707</b>	<b>0</b>	<b>782,828</b>	<b>883,84</b>
Exceptional Items		0	0	0	0	(25,542
Net Incoming / (Outgoing) Resources before Transfers		8,529	21,893	0	30,422	(64,219
Transfers Between Funds		(3,741)	3,741	0	0	(
<b>Net Incoming / (Outgoing) Resources after Transfers</b>		<b>4,788</b>	<b>25,634</b>	<b>0</b>	<b>30,422</b>	<b>(64,219</b>
Gains on Freehold property unrealised		0	0	73,698	73,698	29,47
<b>Net Movement in funds</b>		<b>4,788</b>	<b>25,634</b>	<b>73,698</b>	<b>104,120</b>	<b>(34,741</b>
<b>Balance brought forward at 1 April 1998</b>		<b>84,820</b>	<b>150,093</b>	<b>987,542</b>	<b>1,222,455</b>	<b>1,257,19</b>
<b>Balance carried forward at 31 March 1999</b>		<b>89,608</b>	<b>175,727</b>	<b>1,061,240</b>	<b>1,326,575</b>	<b>1,222,45</b>

**COMMUNITY ACTION HAMPSHIRE  
BALANCE SHEET AS AT 31 MARCH 1999**

	Note	1999 £	1999 £	1998 £	1998 £
<b>Fixed Assets:</b>					
Tangible fixed assets	7		1,067,461		995,529
<b>Current Assets:</b>					
Debtors	8	58,016		21,678	
Short Term Deposits		675,148		292,533	
Cash at Bank and in hand		<u>3,905</u>		<u>5,794</u>	
		737,069		320,005	
<b>Liabilities:</b>					
Amounts falling due within 1 year	9	<u>466,555</u>		<u>77,879</u>	
<b>Net Current Assets:</b>			<u>270,514</u>		<u>242,126</u>
<b>Total Assets less Current Liabilities:</b>			1,337,975		1,237,655
<b>Liabilities:</b>					
Amounts falling due after more than 1 year	10		<u>11,400</u>		<u>15,200</u>
<b>Net Assets:</b>			<u>1,326,575</u>		<u>1,222,455</u>
<b>Funds:</b>					
Unrestricted			89,608		84,820
Restricted	11		<u>1,236,967</u>		<u>1,137,635</u>
	12		<u>1,326,575</u>		<u>1,222,455</u>

For and on behalf of Community Action Hampshire

Dilys m. Hill  
Dilys Hill  
Chairperson of the Board of Trustees

3 September 1999  
Date

Kay Young OBE  
Kay Young OBE  
Vice Chairperson of the Board of Trustees

7 September 1999  
Date

**COMMUNITY ACTION HAMPSHIRE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDING 31 MARCH 1999**

**1 Company Status**

Community Action Hampshire is a company limited by guarantee (Company Registration No. 3162873) and is registered with the Charity Commission (Charity Registration No. 1053806).

**2 Accounting Policies**

The accounting policies are adopted as follows:

**a) Scope and Basis of the Financial Statements**

The Financial Statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and on an accruals basis.

These accounts comply with the Statement of Recommended Practice (SORP) 'Accounting by Charities', the Companies Act 1985, and all applicable FRS's and SSAP's and have been prepared on the basis that all operations are continuing.

**b) Voluntary Income**

Voluntary Income represents amounts received in the year. Grants are accounted for in accordance with the terms of the grant.

**c) Other Income**

Other Income represents the amount invoiced by the charity for services provided including VAT except where stated.

**d) Fixed Assets**

Property is accounted for at its insurance valuation on the 31 March 1999 with any revaluation shown in reserves. This valuation represents the estimated cost of re-building the property, excluding land. As the valuation of the assets is reviewed frequently, there is no appropriate basis for charging depreciation and therefore it is not charged. The policy is not in accordance with Statement of Standard Accounting Practice number 12, 'Accounting for depreciation' but the costs in gaining an external valuation to state the freehold property at market value in accordance with accounting standards are not justified. The trustees have agreed to have an external valuation carried out at 31 March 2000 and value the Freehold Property at market value in future years. The policy of the charity is to capitalise equipment in the year of acquisition and write it off over two to three years. This is consistent with the charity's aim, to make sufficient provision to cover known demands for equipment renewal in the next financial year.

**3 Presentation**

Under the Statement of Recommended Practice (SORP) 'Accounting by Charities' (Oct. 1995), Community Action Hampshire is required to publish a Statement of Financial Activities (SOFA) which sets out full details of Incoming Resources and Resources Expended in terms of both Unrestricted Funds (i.e.. expendable at the discretion of the directors in furtherance of the objectives of the Charity) and Restricted Funds (i.e. subject to the allocation for specific purposes by the donor).

**COMMUNITY ACTION HAMPSHIRE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDING 31 MARCH 1999**

**4 Direct Charitable Expenditure**

	Unrestricted Funds	Restricted Funds	Total 1999	Total 1998
	£	£	£	£
Charitable expenditure	349,169	328,592	677,761	786,516

**5 Management and Administration of the Charity**

	Unrestricted Funds	Restricted Funds	Total 1999	Total 1998
	£	£	£	£
Management fees	0	48,115	48,115	46,492
Audit fees	6,288	0	6,288	3,400
Annual Meeting	3,703	0	3,703	0
Committee travel and training	961	0	961	1,655
Office accommodation and expenses	46,000	0	46,000	44,000
Legal and professional fees	0	0	0	1,778
	<u>56,952</u>	<u>48,115</u>	<u>105,067</u>	<u>97,325</u>

**6 Employees**

The average number of employees during the year was 27. No single employee was remunerated in excess of £40,000. All employees were involved in charitable activities. Total remuneration was £444,803 during the year of which directors remuneration was £nil.

**7 Tangible Fixed Assets**

Freehold land and buildings are not depreciated as it is held that their net realisable value is in excess of cost.

Cost or Valuation	Freehold Land & Buildings	Fixtures, Fittings & Equipment	Total
	£	£	£
At 1 April 1998	987,542	15,974	1,003,516
Additions	0	9,332	9,332
Revaluation	73,698	0	73,698
At 31 March 1999	<u>1,061,240</u>	<u>25,306</u>	<u>1,086,546</u>
<b>Depreciation</b>			
At 1 April 1998	0	7,987	7,987
Charges for the year	0	11,098	11,098
At 31 March 1999	<u>0</u>	<u>19,085</u>	<u>19,085</u>
<b>Net Book Value</b>			
At 31 March 1998	<u>987,542</u>	<u>7,987</u>	<u>995,529</u>
At 31 March 1999	<u>1,061,240</u>	<u>6,221</u>	<u>1,067,461</u>

The freehold land and buildings above were gifted to the charity in prior years and thus have £nil historic costs.

**COMMUNITY ACTION HAMPSHIRE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDING 31 MARCH 1999**

<b>8</b>	<b>Debtors</b>	<b>1999</b>	<b>1998</b>
		<b>£</b>	<b>£</b>
	Sundry debtors	55,834	10,795
	Prepayments	<u>2,182</u>	<u>10,883</u>
		<u>58,016</u>	<u>21,678</u>
<b>9</b>	<b>Liabilities: Amounts falling due within one year</b>	<b>1999</b>	<b>1998</b>
		<b>£</b>	<b>£</b>
	Receipts in advance	0	1,977
	Trade Creditors	458,755	70,202
	Accruals	4,000	1,900
	Loan	<u>3,800</u>	<u>3,800</u>
		<u>466,555</u>	<u>77,879</u>
<b>10</b>	<b>Liabilities: Amounts falling due after more than one year</b>	<b>1999</b>	<b>1998</b>
		<b>£</b>	<b>£</b>
	Loan	<u>11,400</u>	<u>15,200</u>

The loan represents a loan from Hampshire County Council repayable in equal instalments over the next three years. No interest is payable on this loan.



**COMMUNITY ACTION HAMPSHIRE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDING 31 MARCH 1999**

**11 Restricted funds**

	Movement in Resources			Balance at 31 March 1999
	Balance at 1 April 1998	Incoming	Outgoing	
	£	£	£	£
Hazelgrove and Martingrove	82,525	256,585	247,396	91,714
Capital Reserve Buildings	987,542	73,698	0	1,061,240
Hampshire Voluntary Sector Training	7,492	0	4,896	2,596
Community Transport for East Hampshire	27,326	84,658	92,764	19,220
Rural Solutions	8,770	2,830	7,910	3,690
Fair Deals Hampshire Project	2,434	0	1,985	449
CTEH Axibus	1,079	4,966	1,647	4,398
Village Shops Development Scheme	0	39,750	0	39,750
Leisure Bus Scheme	1,318	7,820	6,997	2,141
Network Support for Hampshire Fair Deals	768	0	0	768
Hazelgrove Skills Scheme	732	0	0	732
Community Action Fund	505	0	0	505
RHCC Training Pack	2,845	0	0	2,845
Volunteer ID Card Scheme	2,017	0	25	1,992
Hampshire Federation of Community Organisations	2,500	0	0	2,500
Freefolk and Laverstoke Village Hall	3,767	0	2,744	1,023
HUB Contract	1,091	1,991	1,991	1,091
Community Resources	4,611	3,741	8,352	0
ACRE 21st Century Halls Project	313	0	0	313
	<b>1,137,635</b>	<b>476,039</b>	<b>376,707</b>	<b>1,236,967</b>

**COMMUNITY ACTION HAMPSHIRE**  
**NOTES TO THE ACCOUNTS FOR THE YEAR ENDING 31 MARCH 1999**

**12 Analysis of Net Assets Between Funds**

	<b>Tangible Fixed Assets</b>	<b>Net Current Assets</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Restricted Funds</b>			
Hazeltrove and Martingrove	0	91,714	91,714
Capital Reserve Buildings	1,061,240	0	1,061,240
Hampshire Voluntary Sector Training	0	2,596	2,596
Community Transport for East Hampshire	0	19,220	19,220
Rural Solutions	0	3,690	3,690
Fair Deals Hampshire Project	0	449	449
CTEH Axibus	0	4,398	4,398
Village Shops Development Scheme	0	39,750	39,750
Leisure Bus Scheme	0	2,141	2,141
Network Support for Hampshire Fair Deals	0	768	768
Hazeltrove Skills Scheme	0	732	732
Community Action Fund	0	505	505
RHCC Training Pack	0	2,845	2,845
Volunteer ID Card Scheme	0	1,992	1,992
Hampshire Federation of Community Organisations	0	2,500	2,500
Freefolk and Laverstoke Village Hall	0	1,023	1,023
HUB Contract	0	1,091	1,091
Community Resources	0	0	0
ACRE 21st Century Halls Project	0	313	313
<b>Total Restricted Funds</b>	<b>1,061,240</b>	<b>175,727</b>	<b>1,236,967</b>
<b>Unrestricted Funds</b>	<b>0</b>	<b>89,608</b>	<b>89,608</b>
	<b>1,061,240</b>	<b>265,335</b>	<b>1,326,575</b>