

Company registration number: 08071971
Charity registration number: 1147527

HCCS Community Action

known as
Community First HEH

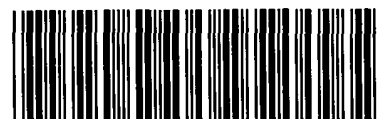
(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2015

MMO Limited
Chartered Accountants and Statutory Auditors
Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

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**HCCS Community Action
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Reference and Administrative Details

Charity name	HCCS Community Action known as Community First HEH
Charity registration number	1147527
Company registration number	08071971
Principal office	Bedhampton Suite, 6000 Langstone Technology Park Langstone Road Havant PO9 1SA
Registered office	Bedhampton Suite, 6000 Langstone Technology Park Langstone Road Havant PO9 1SA
Trustees	Mr B Jones, Chairman Mr G Lavendar, Vice chairman Colonel W Stevens Mrs J Owens Mr G Millar Ms J Harrap
Chief executive officer	Mr T Houghton
Bankers	Lloyds Bank PLC West Street Havant Hampshire
Auditor	MMO Limited Wellesley House 204 London Road Waterlooville Hampshire PO7 7AN

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Structure, Management and Governance

HCCS Community Action (trading as Community First HEH) is a Registered Charity and Company Limited by Guarantee. The company is governed by its Memorandum and Articles of Association dated 9 May 2012.

HCCS Community Action was created as a successor organisation to continue the work of Havant Council of Community Service, as an incorporated organisation, in May 2012. Community First East Hampshire merged into HCCS Community Action in October 2012 to create an organisation able to provide services across Havant and East Hampshire and since when we have been trading as Community First HEH.

The Trustees of the Charity are the Directors of the Company.

HCCS Community Action is a member of the National Association for Voluntary and Community Action.

Recruiting Trustees and Directors

The following methods are used in recruiting new Trustees and Directors

- We review the skills and experience of existing Trustees and Directors matching these to the needs and activities of the business as set out in its business plan.
- Gaps in skills are identified by the Executive Committee and discussed and agreed at the full board.
- Nominations to the Board of Directors are invited at the Annual General Meeting and throughout the year through contact with member groups, partners and individuals.
- Securing specific skills can require additional action such as advertising through local networks, contacts and companies.

Trustee and Director Induction and Training

New Trustees and Directors are provided with background information about the organisation and our work. Prospective Directors are invited to attend board meetings to observe and ask questions followed by a meeting with CEO and Chairman to gain greater understanding of their skills and interest and to explain more about the workings and strategy of the organisation.

When in post Directors are encouraged to attend project events and launches and to meet staff running services to gain an understanding of some of the challenges and benefits. Training for Directors is promoted and advertised.

Role of Advisers

In addition to our Trustees and Directors, HCCS Community Action has 'advisers' including local authority councillors nominated by Hampshire County Council, Havant Borough Council and East Hampshire District Council. Advisers are not Directors or Trustees but provide support to the organisation and act as a conduit for communication and informing local authorities about our work. Advisers meet with the CEO and Directors but are not required to attend Board meetings.

Objectives, Activities and Achievements

The Charity's objects are:

to promote any charitable purposes for the benefit of the public, principally but not exclusively in the

borough of Havant and district of East Hampshire and its environs and, in particular but not exclusively, the advancement of

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- a) education, the protection of health and the relief of poverty, distress and sickness and provide them with the necessary support information and services to enable them to pursue or contribute to any charitable purpose.
- b) to promote, organise and facilitate co-operation and partnership working between third sector, statutory and other relevant bodies in the achievement of the above purposes within the area of benefit.

The Charity objects and area of operation are currently under review with a recommendation to extend these.

How our activities deliver public benefit

The Directors have referred to the Charity Commission general guidance on public benefit when reviewing the company's objectives and planning future activities.

The charity carries out a wide range of activities in pursuance of its charitable aims. The Directors consider that these activities provided benefit to the wider communities of Havant and East Hampshire in 2014/15 and are summarised below:

- **Volunteering:** Working with individuals and voluntary groups to recruit, place, support and train volunteers and the benefit they make to community and voluntary organisations.
- **Support:** Providing information, guidance, signposting and one to one support to voluntary and community groups enabling organisations to thrive
- **Networks:** Sharing information, representing local communities and involvement in local strategic planning
- **Training:** Development of staff, volunteers and members of voluntary sector, community groups and other charities
- **Voice:** Representing and supporting local voluntary and community groups to help shape policy and influence within their communities
- **Services:** Meeting the needs of communities and other voluntary sector organisations by providing transport, mobility, specialist older people's services, youth work, help with finding employment and other services in keeping with our charity aims

Our Aims and Objectives

Community First HEH provides advice, support and services to communities across East Hampshire, Havant and beyond. We encourage voluntary and community organisations to thrive and we deliver services which promote well being and prosperity. We aim to make life better for those we serve and work with.

We achieve this by

- Providing information and guidance to help local organisations and people make a difference in their neighbourhoods.
- Promoting the vital work that voluntary organisations do and act as a bridge with local authorities and businesses to share valuable skills and resources.
- Helping groups raise money for local projects
- Recruiting and training volunteers to play an active role supporting their local communities
- Providing high quality training for individuals and organisations

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- Delivering services which help those less able to help themselves, working with communities and individuals who are socially disadvantaged, vulnerable and isolated. For older people we provide lunch clubs, community transport and shop mobility. For younger people we provide specialised youth work and training for those looking for work. For those experiencing mental illness we provide support through volunteering to help build their confidence and self esteem.
- 199 training events for groups with more than 2,000 learners attending
 - £810,000 raised in funds for local groups and CFHEH services
 - 271 volunteers placed and more than 1100 referrals made to local organisations
 - 306 groups supported with advice on policies and procedures, HR and volunteer recruitment and management and fundraising
 - 250 people engaged and supported through BILL (Being Independent in Later Life) initiative.
 - 111 DBS (Disclosure & Barring Service) checks
 - 23 editions of popular e-news reaching 690 people on average each edition

Our specific aims in 2014 – 2015 were:

1. Giving a voice to the sector, enabling and helping charities to become models of good practice and respond to funding cuts and develop new ways of financing the sector. This will include new partnerships and commissioning with local authorities and other statutory partners. This included work with Clinical Commissioning Groups and exploring opportunities to deliver services in neighbouring local authority areas including Winchester District
2. To provide local groups with one to one support across a range of topics; including governance, income generation, restructuring, HR and DBS checks
3. To deliver quality training opportunities to all sectors, helping groups to up skill, become sustainable and change services delivery to meet. This includes expansion on our Learning highways brand into Havant
4. To promote volunteering and support volunteering activity locally leading to a significant increase in the number and range of people taking up volunteering for the first time
5. To enable service delivery to local communities; specifically this includes delivering;
 - a. Transport in Havant and Shopmobility in Havant and Chichester
 - b. Youth work across East Hampshire but focusing on gaps in services in Bordon and Alton. This will include support for Troubled families and those with health needs.
 - c. Older persons services through BILL road shows (Being Independent in Later life), and through lunch clubs and social activities delivered at Hewitt's in Emsworth
 - d. Community Solutions and support in specific locations where voluntary and community infrastructure may not be so well developed or co-ordinated; including but not limited to Bordon and Wecock Farm
6. Providing evidence of need and measuring and demonstrating the impact of voluntary sector's intervention and support.

Our performance in 2014/15

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Community First HEH provided support for our membership of 300 voluntary and community groups through information, support and advice.

Our team of staff and volunteers responded to enquiries from local voluntary organisations on a broad range of issues including:

We also promoted the voluntary and community sector acting as a representative voice at 62 network, forum and regular partnership meetings.

Our role in community development and capacity building

Our Development Workers provided tailored support for new and established groups, including guidance on governance and constitutions, HR and operating policies and procedures, and creating business plans. We advised and supported more than 50 funding applications raising more than £810,000 for local groups and activities. We hosted network and funding advice events enabling local groups to come together to share ideas and experiences, while receiving briefings on topical issues.

We also delivered payroll service for 7 local organisations and carried out 111 DBS checks on behalf of local groups

We sent out a regular fortnightly e-news disseminating local information, events and funding opportunities and updated and maintained directories of Voluntary and Community Groups, local Speakers and Entertainers, and a Directory of Services for Older People. We also created a new directory in partnership with NHS and SE Hants CCG to provide information on groups who could support health practitioners

Volunteer services

Our Volunteering Team directly recruited, placed and supported 271 volunteers 41 of whom were long term unemployed, and dealt with nearly 900 enquiries. We also engaged with 130 students at Alton college in volunteering and 153 employees of local business through our successful employee volunteering scheme. Our aim is to enhance the volunteering experience by working collaboratively with organisations and groups seeking volunteers, and supporting them to develop their capacity. We provided guidance on good practice and advertised volunteering opportunities through interviews, events, publicity and the www.do-it.org.uk website.

We organised and hosted awards ceremonies to celebrate and recognise the valuable contribution volunteers make in the community attended by 130 people and continued to support our V Team which gives extra support to people who have been unemployed, who lack confidence or have a mental health issue by helping them to learn new skills, meet other people and put something back into their local community.

Training

We provided 199 high-value, low-cost training events for charities, voluntary organizations and social enterprises attracting over 2000 participants and learners. Courses were offered in project management, ICT, funding, marketing, tendering and MIDAS minibus driver training.

Transport

We carried more than 13,000 passengers over total distance of 160,000 miles through our Community Transport and a 'Call and Go' services in Havant and southern parishes of East Hampshire, under contract to Hampshire County Council with funding from Havant Borough Council and revenue generated by hiring out vehicles to more than 40 local groups.. Accessible minibuses are available for hire to local groups and organisations, in addition to the regular contracts provided for local schools, residential homes and day care schemes. Call and Go provides a door-to-door bus service for residents with transport difficulties, who cannot get to or use the conventional public transport system. We also provided transport for local lunch clubs.

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Youth service

The YouthFirst service based in East Hampshire delivered support for young people who are NEET (Not in Education, Employment or Training) in Alton, Liss and Liphook. Other specialist services included counselling in Anger and Anxiety Management and support for LGBT groups. We also ran Hubs (Youth Clubs) in Bordon, Headley Down and Liphook attracting more than 100 regular members

Older persons' services

Our Older Persons' Worker provided information and support to older people's groups, worked with Health and Wellbeing Board and Havant 50+ Forum, as well as organising BILL (Being Independent in Later Life) events and maintaining the Older People's Directory. We engaged more than 250 people through 10 events.

We also provided **Shopmobility** in Havant and Chichester funded by Havant BC and Chichester DC. We provided short and long term hire of electric scooters, and manual wheelchairs in order to provide greater freedom and independence to those with mobility problems. We served more than 100 customer hires.

We continue to run two **lunch clubs** at the Emsworth Centre and the Jubilee Centre in Waterloo. These clubs provide an opportunity for participants to have a meal and socialise with friends and are regularly attended by 20 or more customers

Financial Review

Community First HEH continued to operate against a backdrop of a reduction in public sector funding. This makes it difficult to plan with any degree of certainty for the long term but some of the changes in allocation of funding and the shift from grant to commissioning opened up new business opportunities for the charity which we continue to explore and take advantage of where we can.

The charity continued to take appropriate and considered steps to diversify its funding base, to identify new sources of income and support and build on its strengths and track record in public service delivery combined with effective support for the local voluntary sector. An experienced staff team led by an effective board has maintained appropriate financial management during a period of significant change. The charity made a net loss of £51,266 on unrestricted funds during the year as we continued to invest in ICT, staff restructuring and development in order to develop and test new approaches to delivering services. Some of this will bring returns in future periods

Funding

HCCS Community Action received a contribution by way of grants towards our running costs, from Hampshire County Council, Havant Borough Council and East Hampshire District Council under annual agreements ending 31st March 2015. Funding is being continued in 2015/16 albeit with a further 10% reduction in Havant Borough Council funding and 3.5% reduction in Hampshire County Council's funding with a move toward working in clusters and closer cooperation and delivery of shared objectives via a development plan

Our other principle funds came from grants and contracts including contracts with Hampshire County Council for Community Transport, Adult and Children's Services and a 'Call and Go' service, with Hampshire Learning (now Futures) for training, grants from Havant Borough Council and Chichester District Council and income from customers for Shopmobility, and funding from Big Lottery/Hants and IoW Community Foundation for our V Team; a programme proving supported volunteering for vulnerable adults in Havant. Winchester City Council moved from grant funding to contracting out support for VCSE organisations. We were successful in winning the tender to deliver this for an initial 12 month period which was subsequently extended to 24 months

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Reserves policy

The Board of Directors has determined that the Charity should seek to maintain a level of reserves to cover following eventualities;

- Unrestricted reserves equivalent to 6 months' of planned running costs expenditure.
- The loss on realisation of any fixed assets and any additional contractual liabilities.
- Designated reserves to accumulate funds for specific purposes as determined by the Board from time to time.
- Restricted reserves to the extent that funds for restricted purposes have not been fully expended. No additional reserves will be established for restricted projects.

This policy is principally to enable the Charity to continue operations whilst awaiting receipt of grants, many of which are paid in arrears, to pay contractual liabilities in the event that grants are discontinued or significantly reduced whilst services are realigned and to recover the potential loss on fixed investments in the event that funding is withdrawn or contracts ended prematurely..

At 31 March 2015 we hold £166,919 in unrestricted reserves equivalent to between 4.5 – 5 months average running costs

The level of reserves is reviewed annually against the policy. In addition and independent of reserves, accruals will be established at the end of each year and reviewed quarterly thereafter, to cover any expenses that can reasonably be estimated, such as: sickness pay, insurance claim excesses, equipment and services received but not invoiced.

Subsequent events

The charity changed its name on 1 May 2015 to Communities First Wessex.

Managing Risk

Directors conduct an annual review of major risks to which the organisation is exposed. A Risk register has been established to document the risks and actions taken to mitigate against these. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

Our significant risks

We face on going risk in terms of our funding and income which is predominantly from public sector including local authorities. Expenditure is under close scrutiny and local authority grants and commissioned services are being squeezed resulting in less money at a time when demand for our services and support from our members and constituents is increasing. We are continuing to diversify our funding base securing more income from commissioned services reducing our reliance on grants, diversifying our activities to attract new sources of income and looking at opportunities to develop an asset base. We are also exploring opportunities for enterprise particularly around training and some aspects of our support for older or vulnerable people. This will increase our income from non public sector sources

We have maintained strict internal controls and procedures for authorising transactions and payments which reduce financial risks and risk of fraud. Only authorised signatories can sign or commit the organisation to enter into grant agreements and contractual or other liabilities.

We deliver services to vulnerable people including those who are elderly, frail, disabled, suffer mental illness or lack confidence and to young people from a wide range of backgrounds. Our highest risk services are;

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- Transport; risk of road accidents and in helping frail people on and off vehicles
- Supported Volunteering; providing work experience and support for people with mental illness and other health conditions including those with a history of substance misuse and ex-offenders; helping them rebuild their confidence and contribute to society.
- Youth work; working with vulnerable young people including specialist support addressing anger and anxiety management

We continue to invest in staff training to ensure full compliance with health and safety and operating procedures. Procedures are in place to ensure compliance and very best practice with health and safety of staff, volunteers and our service users. These are reviewed regularly. Accidents, incidents and near misses are recorded and reviewed. Lessons are learnt which are used to amend procedures to provide a safe and enjoyable experience for service users, staff and volunteers.

Chairman's Report 2014/15

This year we have seen outstanding performance in many areas of our business. This is the second year of our new organisation - trading as Community First HEH and it is remarkable that we have witnessed such performance from a relatively newly merged organisation. Your board has achieved a number of the strategic priorities we set ourselves at the beginning of the year - becoming a more capable organisation with stronger infrastructure and a vision to seek new work opportunities - without losing our strong membership and local community links.

I am grateful to my fellow board members, who contributed so much in ensuring the organisation is strategically well led and uses its resources in innovative ways, produces quality products and services, delivers plans on time and within budget and has ambitions concerning values and growth. Throughout this year our values have become much clearer. The seriously challenging financial climate has led us to offer leadership and practical help to many of the smaller organisations we serve. At this time we need to offer such help and to see more joint working and increased mutual support between local groups and our supporters. We know that the financial climate has made it difficult for some organisations to keep functioning. We will continue to work more closely with a range of other providers and local, countywide and national agencies. Being totally independent in today's world is a brave but expensive option. By working and cooperating together we may be able to reduce our costs and then invest what limited resources remain, into 'front line services'. In order to survive we may all have to 'do things differently'. Responding to change can be seen in a negative context or as a positive way forward. Thus we see Community First creating opportunities through innovation, as a key function of our role and one that will help us support our membership groups. Innovative thinking is what many of our current and future funders want to see in our proposals and plans. Like all commercial organisations we have to change to survive. Values we held dear as an organisation some 15-20 years ago are now probably ones that we cannot justify or afford today.

As we and our member groups wrestle and respond to change, so do our funders. Traditionally various councils, have in the main, funded the voluntary and community infrastructure organisations to undertake and support other community groups in whatever way the sector thought most appropriate. Over the last few years we have begun to see the approach from such councils change. Their available funding is reducing as central government decreases its contribution to public sector spending. So our relationship with such funders is changing, to more of a contractual one - where funds are offered to do specific work based on need, to a given qualitative and quantitative standard. If commitments made are not delivered - resources are withdrawn. Thus we have to be very clear about what we say we can achieve and to deliver that work on time and within budget. Thus we are beginning to build greater integrity into our values. What we say we will do, we will do. In all these discussions about values, contracts, mergers and working with others, it does not signify that we are moving away from the main thrust of our work that of supporting services locally. We have arranged our affairs so we can invest in more front line support, by making savings in executive staff and combining some back office functions.

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None of our current success would have been possible without the commitment and hard work of our Chief Executive, Tim Houghton and all our staff and volunteers. During this our second year, as a newly merged organisation, we have looked carefully at every aspect of our business. Where we have had to make changes, we have consulted carefully and listened to views of staff and volunteers. Tim Houghton has done a remarkable job of finding out what we do, why we do it and how we could do more by working in more cost effective and efficient ways. He has consulted widely with both those within and outside the normal community and voluntary sector. Engaging fully with stakeholders and our partners is particularly important during these times of change.

We are so very grateful for the support given to us by East Hampshire District Council, Havant Borough Council and Hampshire County Council. As mentioned our relationship with these councils is changing. During the year we have been requested to make plans in order to respond to what each council requires. In the future it is expected that each Council will ask for a slightly different plan, based on their local priorities. Perhaps just one plan would have been more manageable but we have arranged that there is full communication amongst all those involved in these separate plans, so all parties know how each plan links together.

During the year Winchester City Council offered the opportunity for organisations to bid to provide certain support activities for the voluntary and community groups in their area. We had in the past worked on certain projects with Winchester Area Community Action (WACA) who had been the infrastructure provider for Winchester and district for many years. As an organisation they did not bid for the work but your board agreed that we should respond and informed WACA accordingly. We were pleased to win the contract and utilised staff accordingly, to deliver the outcomes for Winchester City. It made no economic or strategic sense to be in direct competition with WACA, as neither organisation had the will or resources to waste on such activities. Further discussion led eventually to the boards of WACA and Community First HEH agreeing to merge their businesses, so that together they could address the collective needs of the whole area. We were pleased to get to know the members of another board, who shared views and a vision that were similar to our own. The new board will be larger than our existing one, so we can include members who can advocate for the needs of the Winchester area. We are very grateful to the key stakeholders involved in both organisations for their encouragement of this merger. The political and practical support of members and officers from all of our funding councils was a great help to us. We also consulted the membership and staff of both organisations, plus national bodies like The Charity Commission. As we approached the year end, all arrangements to make the merger a reality, are successfully completed.

Of all the tasks involved in a merger, choosing an appropriate name is possibly the most difficult. After much debate we agreed to adopt a company name of Communities First Wessex, and a trading name of Community First. The trading name Community First could then be added to whatever area or district the organisation was working in. So one may see used.... Community First - Winchester or Community First - East Hampshire. There is always a great deal to do when two organisations join together, although the hard work is made easier by the positive reaction and enthusiasm of community groups to our plans in all 3 areas of Hampshire we now serve. Tim Houghton will manage the new enterprise and all staff from both organisations are being transferred to the new organisation.

We continue partnership workings with Housing Associations, the military, health/social agencies and advice organisations.

We believe we have now achieved one of the key outcomes underlying the two mergers - a structure that is fit for purpose for the foreseeable future. As a board we are proud of our staff team. They offer to our member organisations and local communities, a flexible approach to issues. They are a team with a variety of background experience, expertise and knowledge. They like working as a team and are keen to offer a 'joined up' organisational solution to enquiries and applications for assistance.

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We continue to support the Hampshire Community Board which was set up some 18 months ago, to investigate collaborative ways of working and to collectively try to make funding go that little bit further across the whole county. The Community Board consists of all the chairmen of the 11 major community and voluntary organisations in the county. CFHEH has been very involved in helping the Community Board achieve meaningful results. We have no desire to spend resources and energy on an approach that becomes just 'a talking shop'. One of the main activities of the Board this year has been the review of financial support offered to the voluntary and community organisations in Hampshire by the County Council. We all appreciated and understood clearly, the financial pressures that the County Council faced. The final result of our collective endeavours was to secure a three year funding agreement. There was reduction in the funding level, which I think was to be expected but on the positive side it did offer a three year proposed funding outcome. This result allows us all to plan more effectively for the future. For that support each area has to work towards achieving results, set

down in a locally devised and agreed plan. This funding arrangement has been a good result for that board and for all their affiliated organisations.

Community First has been successful in meeting all the targets we have been set by our funding partners. We have a commitment to working with partners in a locality and results are very promising in areas like Bordon.

We realise that we need to continue to explain to many in the community, what we do currently and the benefit of our role. Now is not the time to hide away our successes or even our existence. We continue to try to get our marketing strategy correct. We are again redesigning our web site and associated marketing tools. The comments from member groups and other supporters has been a great help in assisting us to get the web site as effective and attractive as we can.

The board is managing carefully the strategies needed to shape and focus our business in challenging times. We constantly have to make changes to our approach, style and methods of delivery, but our commitment to all our membership groups will not falter.

Beverley Jones

Chairman

Small company provisions

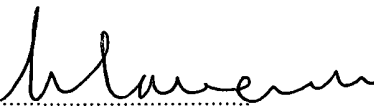
This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board and signed on its behalf by:



Mr B Jones
Trustee

Date: 11/01/16



Mr G Lavender
Trustee

Date: 22/1/16

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Trustees' Responsibilities in relation to the Financial Statements

The trustees (who are also directors of HCCS Community Action for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the United Kingdom Accounting 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 income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records 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.

In so far as the trustees are aware:

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

**Independent Auditors' Report to the Trustees of
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We have audited the financial statements of HCCS Community Action for the year ended 31 March 2015, set out on pages 14 to 29. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

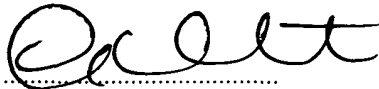
**Independent Auditors' Report to the Trustees of
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Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



.....
Gillian McIntosh
Senior Statutory Auditor
MMO Limited
Chartered Accountants and Statutory Auditors

Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

Date: 25/1/16.....

MMO Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

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**Statement of Financial Activities (including Income and Expenditure Account) for the
Year Ended 31 March 2015**

		Unrestricted Funds	Restricted Funds	Total Funds 2015	Total Funds 2014
	Note	£	£	£	£
Incoming resources					
Incoming resources from generated funds					
Voluntary income	2	148,133	270,091	418,224	516,351
Activities for generating funds	4	-	564,793	564,793	385,797
Investment income	5	891	42	933	1,182
Other incoming resources	6	85,314	-	85,314	71,336
Total incoming resources		<u>234,338</u>	<u>834,926</u>	<u>1,069,264</u>	<u>974,666</u>
Resources expended					
Costs of generating funds					
Costs of generating voluntary income	7	-	-	-	10,000
Charitable activities	7	263,068	829,924	1,092,992	1,032,310
Governance costs	7	12,317	-	12,317	9,706
Total resources expended		<u>275,385</u>	<u>829,924</u>	<u>1,105,309</u>	<u>1,052,016</u>
Net expenditure before transfers		(41,047)	5,002	(36,045)	(77,350)
Transfers					
Gross transfers between funds		<u>(8,844)</u>	<u>8,844</u>	<u>-</u>	<u>-</u>
Net movements in funds		(49,891)	13,846	(36,045)	(77,350)
Reconciliation of funds					
Total funds brought forward		<u>216,810</u>	<u>259,201</u>	<u>476,011</u>	<u>553,361</u>
Total funds carried forward		<u><u>166,919</u></u>	<u><u>273,047</u></u>	<u><u>439,966</u></u>	<u><u>476,011</u></u>

The notes on pages 16 to 29 form an integral part of these financial statements.

HCCS Community Action
trading as
Community First HEH (Registration number: 08071971)

Balance Sheet as at 31 March 2015

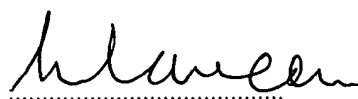
		2015	2014
	Note	£	£
Fixed assets			
Tangible assets	12	54,120	51,066
Current assets			
Stocks and work in progress		1,098	752
Debtors	13	435,218	191,907
Cash at bank and in hand		239,632	371,248
		<u>675,948</u>	<u>563,907</u>
Creditors: Amounts falling due within one year	14	<u>(290,102)</u>	<u>(138,962)</u>
Net current assets		<u>385,846</u>	<u>424,945</u>
Net assets		<u><u>439,966</u></u>	<u><u>476,011</u></u>
The funds of the charity:			
Restricted funds in surplus		273,047	279,621
Restricted funds in deficit			
Community solutions		-	(473)
Bordon garrison youth project		-	(18,359)
Liphook youth project		-	(774)
Headley down		-	(814)
Total restricted funds		<u>273,047</u>	<u>259,201</u>
Unrestricted funds			
Unrestricted income funds		<u>166,919</u>	<u>216,810</u>
Total charity funds		<u><u>439,966</u></u>	<u><u>476,011</u></u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board on 22/1/16 and signed on its behalf by:



Mr B Jones
Trustee



Mr G Lavender
Trustee

The notes on pages 16 to 29 form an integral part of these financial statements.

**HCCS Community Action
known as
Community First HEH**

Notes to the Financial Statements for the Year Ended 31 March 2015

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 20.

Incoming resources

Voluntary income including donations, legacies and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income derived from events is recognised as earned (that is, as the related goods or services are provided).

Investment income is recognised on a receivable basis.

Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

**HCCS Community Action
known as
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Notes to the Financial Statements for the Year Ended 31 March 2015

..... *continued*

Irrecoverable VAT

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

Fixed assets

Individual fixed assets costing £0 or more are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Plant and machinery	25% reducing balance
Fixtures and fittings	25% reducing balance

Research and development expenditure

Research and development expenditure is written off as incurred.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Operating leases

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

**HCCS Community Action
known as
Community First HEH**

Notes to the Financial Statements for the Year Ended 31 March 2015

..... continued

2 Voluntary income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Donations and legacies				
Legacies and bequests	-	-	-	34,464
Appeals and donations	-	300	300	-
Other	-	-	-	254
	<u>-</u>	<u>300</u>	<u>300</u>	<u>34,718</u>
Grants				
UK Government grants	148,133	266,783	414,916	418,914
Grants - other agencies	-	3,008	3,008	-
Contractual income from government or public authorities	-	-	-	62,719
	<u>148,133</u>	<u>269,791</u>	<u>417,924</u>	<u>481,633</u>
	<u>148,133</u>	<u>270,091</u>	<u>418,224</u>	<u>516,351</u>

3 Grants receivable

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
UK Government grants	148,133	266,783	414,916	418,914
Grants - other agencies	-	3,008	3,008	-
	<u>148,133</u>	<u>269,791</u>	<u>417,924</u>	<u>418,914</u>

**HCCS Community Action
known as
Community First HEH**

Notes to the Financial Statements for the Year Ended 31 March 2015

..... continued

4 Activities for generating funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Transport services				
Contractual income from government or public authorities	-	147,520	147,520	169,111
Other	-	2,485	2,485	5,563
Management fees	-	7,200	7,200	9,600
(Profit)/loss on disposal of tangible fixed assets	-	-	-	328
	-	157,205	157,205	184,602
Malmesbury lawn day centre				
Contractual income from government or public authorities	-	97,405	97,405	97,790
Call and go				
Contractual income from government or public authorities	-	36,223	36,223	34,839
Jubilee and Emsworth centres				
Lunch club income	-	13,987	13,987	18,373
Rental income	-	13,419	13,419	16,102
Other	-	89	89	9
	-	27,495	27,495	34,484
Shopmobility				
Hirings	-	15,260	15,260	13,852
Jubilee and Emsworth lunch club				
Other	-	193	193	1,021
Learning highways				
Contractual income from government or public authorities	-	145,146	145,146	-
Training	-	27,962	27,962	18,029
	-	173,108	173,108	18,029
Youth projects				
Other	-	-	-	1,180

**HCCS Community Action
known as
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Notes to the Financial Statements for the Year Ended 31 March 2015

..... continued

Winchester CC

Contractual income from government or public authorities	-	50,000	50,000	-
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Employee volunteering

Contractual income from government or public authorities	-	7,904	7,904	-
	-	564,793	564,793	385,797

5 Investment income

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Interest on cash deposits	891	42	933	1,182

6 Other incoming resources

	Unrestricted Funds £	Restricted Funds £	Total Funds 2015 £	Total Funds 2014 £
Other income				
Rental income	6,400	-	6,400	2,152
Other income	3,040	-	3,040	3,617
Training	5,217	-	5,217	2,430
Management fees	70,657	-	70,657	63,137
	85,314	-	85,314	71,336

HCCS Community Action
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Community First HEH

Notes to the Financial Statements for the Year Ended 31 March 2015

..... continued

7 Total resources expended

	Charitable activities	Governance	Total
	£	£	£
Direct costs			
Catering supplies	8,524	-	8,524
Employment costs	491,702	-	491,702
Establishment costs	16,004	-	16,004
Repairs and maintenance	7,105	-	7,105
Office expenses	21,636	-	21,636
Printing, posting and stationery	5,618	-	5,618
Subscriptions and donations	-	1,071	1,071
Vehicle lease costs	37,196	-	37,196
Sundry and other costs	16,724	-	16,724
Cleaning	2,267	-	2,267
Cost of trustee meetings	1,756	266	2,022
Project costs	90,910	-	90,910
Merger expenses	1,350	-	1,350
Motor expenses	75,819	-	75,819
Travel and subsistence	9,861	-	9,861
Advertising and promotion	3,169	-	3,169
Community chest	3,299	-	3,299
Bad debt expense	625	-	625
Bank charges	75	-	75
Depreciation of tangible fixed assets	19,421	-	19,421
	<u>813,061</u>	<u>1,337</u>	<u>814,398</u>
Support costs			
Employment costs	192,620	-	192,620
Establishment costs	37,523	-	37,523
Office expenses	6,099	-	6,099
Printing, posting and stationery	920	-	920
Sundry and other costs	751	-	751
Management fee	41,218	-	41,218
Auditors' remuneration	-	4,275	4,275
Legal and professional costs	800	6,705	7,505
	<u>279,931</u>	<u>10,980</u>	<u>290,911</u>
	<u><u>1,092,992</u></u>	<u><u>12,317</u></u>	<u><u>1,105,309</u></u>

**HCCS Community Action
known as
Community First HEH**

Notes to the Financial Statements for the Year Ended 31 March 2015

..... continued

8 Trustees' remuneration and expenses

No trustees received any remuneration during the year.

9 Net expenditure

Net expenditure is stated after charging/(crediting):

	2015		2014
	£	£	£
Auditors' remuneration - audit services	4,275		4,465
Profit on disposal of tangible fixed assets	-		(328)
Depreciation of tangible fixed assets	19,421		17,355
	<u>19,421</u>		<u>17,355</u>

HCCS Community Action
known as
Community First HEH

Notes to the Financial Statements for the Year Ended 31 March 2015

..... continued

10 Employees' remuneration

The average number of persons employed by the charity (including trustees) during the year, analysed by category, was as follows:

	2015	2014
	No.	No.
Charitable activities	43	43
Governance	4	4
	<u>47</u>	<u>47</u>

The aggregate payroll costs of these persons were as follows:

	2015	2014
	£	£
Wages and salaries	568,431	519,636
Social security	24,008	23,841
Other pension costs	12,936	12,753
	<u>605,375</u>	<u>556,230</u>

Senior employees

During the year, the number of senior employees who received emoluments falling within the following ranges was:

	2015	2014
	No.	No.
£10,000 - £60,000	24	15
> £60,000	-	-
	<u>24</u>	<u>15</u>

During the year, defined contribution pension contributions on behalf of these staff amounted to £nil (2014 - £nil).

11 Taxation

The company is a registered charity and is, therefore, exempt from taxation.

**HCCS Community Action
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Notes to the Financial Statements for the Year Ended 31 March 2015

..... continued

12 Tangible fixed assets

	Plant and machinery including motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost			
As at 1 April 2014	61,842	24,292	86,134
Additions	19,745	2,730	22,475
As at 31 March 2015	<u>81,587</u>	<u>27,022</u>	<u>108,609</u>
Depreciation			
As at 1 April 2014	25,011	10,057	35,068
Charge for the year	14,148	5,273	19,421
As at 31 March 2015	<u>39,159</u>	<u>15,330</u>	<u>54,489</u>
Net book value			
As at 31 March 2015	<u>42,428</u>	<u>11,692</u>	<u>54,120</u>
As at 31 March 2014	<u>36,831</u>	<u>14,235</u>	<u>51,066</u>

13 Debtors

	2015 £	2014 £
Trade debtors	376,154	181,160
Other debtors	15,684	10,747
Prepayments and accrued income	43,380	-
	<u>435,218</u>	<u>191,907</u>

HCCS Community Action
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Notes to the Financial Statements for the Year Ended 31 March 2015

..... *continued*

14 Creditors: Amounts falling due within one year

	2015 £	2014 £
Trade creditors	42,291	26,344
Taxation and social security	35,115	24,970
Other creditors	1,172	547
Accruals and deferred income	211,524	87,101
	<u>290,102</u>	<u>138,962</u>

15 Members' liability

The charity is a private company limited by guarantee and consequently does not have share capital. Each of the members is liable to contribute an amount not exceeding £nil towards the assets of the charity in the event of liquidation.

16 Operating lease commitments

As at 31 March 2015 the charity had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	Land and Buildings		Other	
	2015 £	2014 £	2015 £	2014 £
Within one year	5,000	5,000	11,472	-
Within two and five years	-	-	24,552	36,024
	<u>5,000</u>	<u>5,000</u>	<u>36,024</u>	<u>36,024</u>

17 Other financial commitments

The charitable company rents its premises at Tilemore Road, Petersfield for a peppercorn rent of one peppercorn per annum until the lease expires on 20 May 2019.

**HCCS Community Action
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Community First HEH**

Notes to the Financial Statements for the Year Ended 31 March 2015

..... continued

18 Pension scheme

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £12,936 (2014 - £12,753).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

There is a potential pension liability relating to the pension fund which cannot be quantified, professional advice is going to be sought on this matter.

19 Related parties

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

Mr W Millar, the son of Mr G Millar (trustee) received £nil (2014 - £1000) during the year for filming and editing a video for The Weacock Big Local.

**HCCS Community Action
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Community First HEH**

Notes to the Financial Statements for the Year Ended 31 March 2015

..... continued

20 Analysis of funds

	At 1 April 2014	Incoming resources	Resources expended	Transfers	At 31 March 2015
	£	£	£	£	£
Designated Funds					
Required reserves policy	143,000	-	-	-	143,000
Budget deficit	35,000	-	-	-	35,000
	<u>178,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>178,000</u>
General Funds					
Development	1,319	234,338	(275,385)	(8,844)	(48,572)
Property fund	37,491	-	-	-	37,491
	<u>38,810</u>	<u>234,338</u>	<u>(275,385)</u>	<u>(8,844)</u>	<u>(11,081)</u>
Restricted Funds					
Volunteer centre	806	34,909	(31,120)	-	4,595
Projects fund	29,059	-	-	-	29,059
Open door	336	-	-	-	336
Jubilee and Emsworth centres	72,989	32,512	(64,449)	-	41,052
Emsworth lunch club	1,145	109	(806)	-	448
Jubilee lunch club	3,491	84	(3,314)	-	261
Transport services	39,452	163,304	(178,738)	-	24,018
Malmesbury Lawn day centre	9,264	97,405	(97,434)	-	9,235
Call and go	3,109	36,223	(35,940)	-	3,392
Shopmobility	7,552	43,890	(44,865)	-	6,577
Community solutions	(473)	8,013	(14,405)	6,865	-
Learning highway	10,548	173,108	(123,597)	-	60,059
Alton college volunteering	16,762	-	(884)	-	15,878
Alton YSS	835	-	-	-	835
Adult learners week	532	-	-	-	532
Bordon anger management	1,004	-	-	(1,004)	-
Community learning	23,023	-	-	-	23,023
Liphook youth club	1,277	11,080	(9,083)	-	3,274
Learning skills and employment	808	-	-	-	808
Work club	4,831	-	(2,378)	-	2,453
Approved by you	6,122	-	(6,122)	-	-

**HCCS Community Action
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Notes to the Financial Statements for the Year Ended 31 March 2015

..... continued

Employability support service	1	-	(640)	639	-
Alton anger management	595	-	-	(595)	-
Bordon garrison youth project	(18,359)	46,850	(24,389)	-	4,102
Liss Liphook NEET	1,052	-	-	-	1,052
LGBT	-	6,000	(5,667)	-	333
Teenage pregnancy	827	-	-	-	827
Liphook youth project	(774)	-	-	774	-
Employee volunteering	-	7,904	(6,876)	-	1,028
Emsworth Pre-Feasible	2,321	-	-	-	2,321
Wecock big Local	9,074	20,709	(29,622)	-	161
Bordon NEET	2,062	7,340	(6,069)	-	3,333
Bordon Hub	3,944	15,600	(12,948)	-	6,596
Alton and Petersfield NEET	1,464	20,619	(18,941)	-	3,142
Headley Down	(814)	8,567	(5,915)	-	1,838
V Team	24,156	4,492	(24,651)	-	3,997
Youth Work	1,180	-	-	(774)	406
Older people (being independent in later life)	-	21,280	(19,757)	-	1,523
Troubled families	-	4,600	(5,940)	1,340	-
Volunteer awards	-	300	(160)	-	140
Winchester City Council Project	-	50,000	(34,171)	-	15,829
Anxiety and anger management	-	11,050	(12,065)	1,599	584
CAB Assessment centre	-	7,314	(7,314)	-	-
Havant & Waterlooville	-	-	-	-	-
Child Contact	-	1,664	(1,664)	-	-
	<u>259,201</u>	<u>834,926</u>	<u>(829,924)</u>	<u>8,844</u>	<u>273,047</u>
	<u>476,011</u>	<u>1,069,264</u>	<u>(1,105,309)</u>	<u>-</u>	<u>439,966</u>

**HCCS Community Action
known as
Community First HEH**

Notes to the Financial Statements for the Year Ended 31 March 2015

..... *continued*

21 Net assets by fund

	Unrestricted Funds	Restricted Funds	Total Funds 2015	Total Funds 2014
	£	£	£	£
Tangible assets	11,413	42,707	54,120	51,066
Current assets	490,856	192,943	675,948	563,907
Creditors: Amounts falling due within one year	(263,722)	(34,231)	(290,102)	(138,962)
Net assets	<u>238,547</u>	<u>201,419</u>	<u>439,966</u>	<u>476,011</u>