

Company number: 3162873

Charity number: 1053806



Community Action Hampshire
Report and Financial Statements
31 March 2017

Community Action Hampshire
For the year ended 31 March 2017

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Community Action Hampshire
For the year ended 31 March 2017

Reference and Administrative Details

Charity Number: 1053806

Company Number: 3162873

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

Telephone: 01962 854971 Fax: 01962 841160

Website: www.actionhampshire.org Email: info@actionhants.org.uk

Our advisers

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

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

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

Directors and trustees

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

Alexander Shapland (Joint Chairman)

Oliver Rowe (Joint Chairman, Chairman Finance Committee)

John Bonney

Colin Brown

Martin Collett

Margaret Geary

Jennifer Meadows

Richard Osmond

Rosalind Rutt

Elizabeth Trevor

Steven France-Sargeant (appointed 3 March 2017)

Savannah King (appointed 3 March 2017)

Vice Presidents: Brian Challis, Janet Chierchia MBE, Lindsay Fox Vice-Lord Lieutenant of Hampshire MBE JP DL, Susan Glasspool DL (resigned in Nov 2016), The Rt. Hon The Earl of Malmesbury DL.

Company Secretary: Sue Dovey

Key management personnel

Senior Management Team

Chief Executive Officer

Sue Dovey

Head of Services

Kirsty Rowlinson

Head of Finance and Contracts

Sarah Hurford-Potter (from August 2016)

Head of Finance and Contracts

Lindsay Perry (until August 2016)

Head of Operations

Richard Myers (from August 2017)

Community Action Hampshire
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Report of the Trustees

The trustees are pleased to present their annual trustees' report together with the financial statements for the charity for the year ended 31 March 2017.

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

Chairman's Report

I am pleased to welcome 87 new members this year, bringing our total membership to 975. This increased membership helps to give us the ability to continue to help the not-for-profit sector in Hampshire

Instead of our usual Annual Conference, we held an AGM in November 2016, followed by a Spring Conference in May 2017. The Spring Conference, held at the Rotunda in the Winchester School of Art, was used to showcase our achievements, relaunch the Action Hampshire member benefits, and launch our commercial services offering 'AH Activate'.

'AH Activate' has been set up to focus on income generation for Action Hampshire. AH Activate is a wholly owned subsidiary of Action Hampshire, and its sole aim is to generate income for Action Hampshire.

Financial pressures are a constant theme for the sector and we consider that diversifying income streams, whilst also being more focused in our offerings, is key. We continue to look for opportunities for Action Hampshire and our members in these challenging times.

On behalf of the trustees I would like to thank the Chief Executive, senior management and staff at Action Hampshire for their hard work and willingness to embrace change.

Oliver Rowe
Chairman

Community Action Hampshire
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Our Purpose and Activities

The objectives of the charity are:

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

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

- Enterprising
- Empowering
- Bold
- Informative

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

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

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

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

Community Action Hampshire
For the year ended 31 March 2017

Achievements and Performance

1. Support for Voluntary and Community Groups

Membership

Membership of Action Hampshire is free and members can benefit from a range of offers, including free access to the IDOX Open4Community database, free submissions to our fortnightly Jobs and Volunteering Bulletin and a discount on our room hire costs.

Action Hampshire publications

During the year, we circulated:

- **Action News Update** with news of headline stories for the VCS and communities, funding, consultations, resources and training. On average it reaches over 1,300 recipients monthly.
- **Briefings** on the Autumn Statement 2016, Budget March 2017, updates on devolution developments in Hampshire & IOW and the Shared Society.
- **Community Buildings Newsletter** reaching 492 contacts monthly with an interest in community buildings.
- **Children and Young People Update** is sent to around 300 people every month.
- **Health & Social Care Update** a fortnightly e-bulletin, sent to our health and social care network.
- **Policybite Update** a fortnightly e-bulletin which looks at more of the detail behind the headlines.
- **Jobs and Volunteering Bulletin** sent to over 1,200 people every fortnight. Over this 12 month period, we have advertised 519 job vacancies and 583 volunteer vacancies in voluntary sector organisations in Hampshire.
- **Social Enterprise Update** This newsletter is a recent addition to the suite of publications we produce. It is distributed monthly and features news, training and funding opportunities for social entrepreneurs in Hampshire, including past and current students of our School for Social Enterprise.

Staying connected

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

- Hampshire Voluntary Sector Consortium
- Health and Social Care Network
- Hampshire Independent Equality Forum
- Hampshire Equalities Group
- The Alliance
- Airbrick Network (School for Social Entrepreneurs Fellows)
- Portsmouth Voluntary & Community Network
- Portsmouth Power Plus
- Portsmouth Children & Young People's Alliance
- Portsmouth Foodbanks
- Portsmouth Forum for Older People's Groups

Community Action Hampshire For the year ended 31 March 2017

Action Hampshire has provided support to sector representatives on the:

- Hampshire Health & Wellbeing Board
- The Hampshire Partnership (formerly the Hampshire Senate)
- Enterprise M3 (Local Economic Partnership) Board
- Hampshire PREVENT Board

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

- Fieldfare LEADER Programme Local Action Group
- Loddon and Test LEADER Programme Local Action Group
- Hampshire Alliance for Rural Affordable Housing (HARAH)
- Hampshire Safeguarding Adults Board
- Hampshire Safeguarding Children's Board
- Hampshire Children's Trust
- Portsmouth Carers Voice
- Portsmouth Children's Trust Board
- Portsmouth Together Partnership
- Portsmouth Health & Wellbeing Board
- Portsmouth Compact Working Group
- Safer Portsmouth Partnership

Action Portsmouth

The Action Portsmouth contract with Portsmouth City Council (PCC) will end in March 2018. The contract was issued in July 2012 as a 3-year contract, extendable for a maximum of 2 additional years. PCC are currently consulting the wider not-for-profit sector in Portsmouth to decide what "infrastructure" support they may commission from that date.

During the financial year 2016-2017 Action Portsmouth provided 68 general support sessions to community groups and delivered 69 funding advice sessions. We know 10 organisations were successful in applying for funding, totaling £93,225 this year. Predominantly funding was awarded to small community groups by National Lottery Awards for All. In addition training was delivered to support the sector in a variety of subjects. Bitesize topics included Leadership Skills, Running a meeting, Taking minutes, Running an AGM, Trustee responsibilities, Accounts and book-keeping. Attendance to some of the Bitesize sessions was disappointing and plans are underway to adopt a new approach using vlogs, training videos and social media. In addition to Bitesize training a two day Bid writing course was bought in and was well attended and the feedback from this was very positive, this was geared towards larger groups with an understanding of fundraising. Cyber Security and Information Governance training has also been delivered and well attended. The Powerplus networking events have continued to run quarterly and attract an average number of 40-50 guests each time, the feedback for this has been excellent.

In January 2017, a new PCC Director took over responsibility for managing the council's relationship with the not-for-profit sector. She has indicated that she wants to develop a different type of relationship with the sector across the city and has a working group looking at how this might happen. The CEO of Action Hampshire is on this group.

**Community Action Hampshire
For the year ended 31 March 2017**

Action Portsmouth, in addition to providing support to individual organisations, facilitates a number of networks of not-for-profit organisations to enable strategic discussions with statutory bodies in Portsmouth. The networks we supported this year are:

- the Portsmouth Voluntary Community Network (PVCN)
- the Children and young people's Alliance
- the Foodbank network
- the Older person's forum

The PCVN coordinated a Health and Wellbeing event in June 2016; this was organized by Action Portsmouth, CCG and PCC. The aim of the event was to encourage collaboration and partnership development to strengthen the potential for VCS organisations to respond to health and social care needs, seek opportunities to support clients of health and social care and identify development needs to enable them to respond to these opportunities. The event was attended by 172 delegates and the feedback was very positive.

The CYPA held 6 Steering group meetings this financial year and delivered two events:

“Stronger Futures” was attended by 48 delegates and covered subjects such as Integrating the commissioning and delivery of services for, promoting early intervention through universal services, Strengthening family support to avoid statutory interventions, Reducing the need for children to spend time in care and Restorative Practice.

“What really Matters” was attended by 40 delegates and covered subjects around education, guided conversations and featured a guest speaker from the Prince's Trust.

The Portsmouth foodbank network was set up in 2015 for suppliers of food aid to get together and share information, resources and best practice. It also provides a collective advocacy service for those in food poverty. This is chaired by Action Portsmouth and the Tackling Poverty representative from PCC. Meetings for this are held twice yearly.

The Portsmouth Carers Voice has continued to be supported by Action Portsmouth and is now a constituted group. A Carers event was held in October 2016 and attended by 47 stallholders, the review of the event showed that the number of Carers attending the event was lower than expected but those that did attend generally felt that it was useful. The event included a question and answer session with Innes Richardson from CCG and an opportunity to discuss respite care in the city. The PCV have recently managed to secure a respite bed for Carers in the city at Cosham Court Care Home. This is bookable by Carers through Adult Social Care.

The CCG patient referral pathway project received 159 referrals during the financial year 2016/2017. The top reason for referral remains Social Isolation but is closely followed by mental health problems including anxiety and depression. The top destinations for these patients include befriending services, the Living Well project at Age UK and the Community Connector service at PCC.

Additionally, Action Portsmouth has been part of the Portsmouth Provider's Forum, coordinated by PCC to give not-for-profit providers the chance to inform commissioning practices

Fratton Big Local

Community Action Hampshire For the year ended 31 March 2017

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

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

Other FBL activities during the year included:

- Festival of Lights: 350 people (2015: 500) took part in the third annual festival in December to unite the Fratton Community. Approximately 350 people participated in the project, through attendance on the day or lantern making workshops within the community.
- In May 2016 the Fratton Global Garden was opened at Manor Infant School. Children and volunteers grew herbs, vegetables, and sunflowers. A harvest celebration was held in October attended by the Lord Mayor of Portsmouth and over 100 local people.
- Big Lunch: a community picnic for 200 people (2015: 200) at St Mary’s Churchyard in June, with free tea and cake, bouncy castle, sports games and a brass band
- Christmas lights and tree: building on last year, when the partnership shared the cost with Portsmouth City Council of erecting Christmas lights on lampposts along Fratton Road, FBL funded more Christmas lights in 2016/17.
- Open Spaces Review: Davis White, in consultation with the local community, designed plans for improvements to Kingston Rec and St Mary’s Churchyard. FBL have been working with Portsmouth City Council (PCC) on the best way to turn the plans into reality. FBL have secured funding from Veolia and Trusthouse, which together with FBL and PCC funding, will enable the project to go ahead, with the reopening planned for Spring 2018.
- May Fayre: FBL took over the inside of St Mary’s church and offered a number of local charities and groups an opportunity to raise funds by running games and activities as well as publicising what they do.
- One day in Fratton: the 2016 Dear Me letter writing competition was changed this year to a short story competition.
- Youth Project: the new youth project was started in September 2016, when Pompey in the Community took over running 4 new sessions per week for young people in Fratton. They also ran sports sessions at the Fratton Family Festival and a taster dance session.
- Community Grants: giving almost £4,000 to a range of local projects and organisations
- ESOL project: FBL delivered a further 18 free English language training sessions. 23 women speaking seven different languages, attended the sessions
- World War One ‘20 Streets in Portsmouth’: A partnership with Portsea Parish and the University of Portsmouth was successful in obtaining funding from the Heritage Lottery Fund to research the war dead listed in a war memorial in Fratton. Volunteers researched the lives of Fratton men who served in the First World War. The project ended with a display in March 2017
- Solar panels: FBL are looking at installing solar panels on buildings in Fratton. FBL hope that the panels will provide cheaper electricity for buildings housing them, and an ongoing income which will enable some of the projects to continue after 2023.

Wecock Big Local

Community Action Hampshire

For the year ended 31 March 2017

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

WBL activities during the year include:

- Halloween party for local families, included pumpkin carving and craft activities.
- New Year’s Eve party for local families, with activities for children.
- Easter – supported the Acorn Community Centre in delivering a day of children’s activities including an Easter egg hunt and party.
- Supported 2 Big Lunch community picnics in 2017.
- In March 2017 a consultant was engaged to complete an environmental audit to review all green spaces within Wecock Farm.
- Grants giving almost £5,490 to a range of local projects and organisations.

The Alliance

Action Hampshire supported the Hampshire Alliance for Children and Young People’s Organisations through its orderly closure as an independent charity; a decision which was taken by members and trustees owing to loss of funding and capacity issues in leadership. Action Hampshire has continued to support Children and Young People’s organisations through briefing events and monthly bulletins.

The CYP network supports 170 not-for-profit organisations working with children and young people in Hampshire to achieve the best outcomes for children, young people and families.

2. Support for Communities

Our rural role

The Hampshire Rural Forum was reconvened in June 2016, with Action Hampshire represented on the steering group by Action Hampshire trustee Rosalind Rutt. The Forum’s aim is to enable Hampshire’s rural communities to become more visible, effective and sustainable socially, economically and environmentally.

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

New homes

Action Hampshire employs two Rural Housing Enablers. This year saw the completion of 8 affordable homes in the rural village of Soberton, Winchester. All the homes went to people with a local connection to the parish. These schemes not only allow people to stay or return to their community but help to deliver vital investment into rural Hampshire. Over £1 million has been invested by the Hampshire Alliance for Rural Affordable Housing (HARAH) partnership in these homes, as each home costs about £140,000. In addition, 91 homes are on site under construction and will deliver new affordable homes over the next two years.

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The Rural Housing Enablers are currently working with over 40 parishes with schemes at all stages of the development process.

In June, the HARA Partnership welcomed a new delivery partner, the Hampshire Village Homes consortium of 5 housing associations. These are Hastoe, English Rural, Winchester Housing Trust, PHA Homes and New Forest Villages Housing Association. The five housing associations will work together with the Rural Housing Enablers and other HARA partners to deliver 50 homes a year until 2020.

In July, Rural Housing Enablers worked with the HARA partners to celebrate Rural Housing Week. 37 Parish Councils attended events across the county to showcase the work of HARA and meet other parish councils who have provided new affordable housing schemes.

February saw the Rural Housing Enablers help deliver a landowner conference, hosted by South Downs National Park, one of HARA's newest partners. More than 112 attended the event which was well received.

Community-led Housing

Action Hampshire is a member of a new partnership to promote and develop community-led housing across the county. The funding partners are 4 local authorities who have received new central government funding for the purpose. Action Hampshire will be the employer of the Community Housing Adviser when the project comes fully onstream in the next financial year.

Community Buildings

Following a review of how our Community Buildings Advice Service is delivered, guidance and information was offered to anyone involved with a community building in Hampshire. 25 email bulletins were sent over the year (Apr 2016 – Mar 2017) to an average of 520 contacts.

Action Hampshire received a grant of £4,550 from Hampshire County Council's Community Challenge Fund for a project offering subsidised energy audits to six community halls in Hampshire. This will enable the six halls to become more energy efficient, easy to keep warm, and financially viable for the longer term. We also expect it to provide excellent learning opportunities and inspiration for other community halls to pay for their own energy audit and / or carry out energy efficiency improvements.

Our Community Buildings Advisor hosted three training and briefing sessions across the year (with 19 total attendees), and also gave a presentation on applying for grants at a village hall AGM as a paid-for additional service.

3. Policy and Information

A swirling, changing authority

The last twelve months have seen political uncertainty at both national and local level. The EU referendum result in June 2016 and subsequent Brexit negotiations will keep central government busy and according to most commentators, we should not expect any additional major policy initiatives in the next two years. We were also in purdah ahead of local council elections in May and a general election in June. With the potential for so much change, it is important for us to keep up to date with political and policy change and what the implications will be for the not-for-profit sector.

Community Action Hampshire For the year ended 31 March 2017

It is also unclear how long awaited plans will develop in reality. The momentum behind devolution to city regions has slowed. Indeed, the Hampshire and IOW plan for devolution and local government reorganisation has stalled with political discord between local authorities. Reorganisation of the entire health and care system across the region was set out in the Hampshire and IOW Sustainability and Transformation Plan (STP), but details of specific changes to services have been hard to find, much less understand. Action Hampshire has written a briefing paper on the STP to help our members understand the proposals, as well as inviting representatives from the STP programme to Hampshire Voluntary Sector Consortium.

The biggest question in this shifting landscape is how can the not-for-profit sector find a way to work with the public sector using our skills, expertise and services? And the biggest challenge is convincing public sector bodies that even, and perhaps especially, in an environment where finances are limited, our contribution has value.

Keeping your head above water

The challenge of balancing the increasing demand for services with shrinking funding opportunities is intensifying. Some not-for-profit sector organisations have felt it impossible to pause and objectively assess the position of their organisation. Action Hampshire's message at this critical time has been to maintain focus on outcomes and find sustainable funding to allow organisations to follow their mission, vision and objectives.

Finding our voice

Organisations receiving government grants were this year banned from using funds to lobby government. It comes at a time when not-for-profit sector organisations are questioning how independent they wish to be from organisations that fund them; both in terms of the work they do and the opinions they publicly express. The challenge is to find capacity and courage to be a critical friend to local authorities, using our expertise to influence policy on the causes we work for.

4. Social Enterprise

The School for Social Entrepreneurs Hampshire

In this year we have worked with two cohorts on the Lloyds Bank Social Entrepreneurs programme. Our fourth cohort graduated in October 2016, with 18 social entrepreneurs successfully completing the programme. In addition to Hampshire based social entrepreneurs, we brought together students from Sussex, Surrey, Dorset and Wiltshire. They took part in study days with contributions from experts in aspects of enterprise and action learning sets. Each student had an individual business mentor from Lloyds Bank and a development grant funded by the Big Lottery. Their graduation event took place at the Winchester Science Centre, one student said 'SSE has given me a strong framework to turn my vision into reality and equipped me with a range of skills and techniques which will prove valuable in my journey ahead'.

We recruited 18 students to the fifth cohort later in 2016 and they are taking part in the year long programme. We have enterprises delivering health and social care services; countryside and forest skills; activities and support for children and young people; money and benefits advice and creative skills. This group will graduate in October 2017.

Both learning programmes were funded by Lloyds Bank and Action Hampshire.

Negotiations have been taking place to secure a further five years of the Lloyds programme through the School for Social Entrepreneurs London.

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We have delivered a further Young Entrepreneurs programme with Richard Taunton Sixth Form College in Southampton, with 10 students completing a term-long programme to develop five social enterprise ideas, an example being a t shirt brand that raises awareness of teenage mental health issues while donating a portion of the profits to mental health charities.

The Inspiring Enterprise programme, funded through the Building Better Opportunities fund continues to develop with Action Hampshire being able to use our skills and resources developed through the SSE to support people who are not working to consider social enterprise as an option to raise income. This is delivered across the Enterprise M3 Area and allows us to work in partnership with other organisations and deliver to fellows of the SSE. We are working closely with Surrey Community Action, WSX Enterprise and the University of Winchester.

We continue to keep in touch with students, fellows and other social entrepreneurs through our newsletter, social media and network meetings.

5. Engagement and Research

Over the past year, Action Hampshire has continued to develop and broaden its research and engagement remit, focusing in particular on health; social care; and community 'voice'.

Health

We were commissioned by Mid Hampshire Better Local Care to carry out three large pieces of qualitative research:

- social isolation and its impact on health and wellbeing
- understanding the medical experiences of older people with multiple health conditions
- social prescribing

We carried out data analysis on behalf of Healthwatch Hampshire for a major survey about domiciliary care in Hampshire.

We have also commenced a project to provide 'Surgery Signposting' in two rural Hampshire GP surgeries. The role of the Signposter is to provide a 'bridge' between patients with social/emotional/practical needs, and services that can support them.

Community Voice

We worked with a developer and a Parish Council to carry out a Housing Need Survey in a small rural parish, enabling the community to express their views on potential development.

We were also commissioned by Hampshire and Isle of Wight Community Foundation to produce a report on crime against older people in their homes.

We worked with a neighbourhood plan steering group to facilitate consultation on its suggested draft policies for the plan, allowing people to have further say on what was being proposed.

We were successful in our bid to the Scottish and Southern Energy Resilient Communities Fund to assist six community buildings to think through the practicalities of opening as an emergency hub or place of safety and enabling them to play a part in their community's resilience.

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Healthwatch Hampshire

Healthwatch Hampshire is an independent organisation, based at the same offices as Action Hampshire.

Until March 2017 we were one of Healthwatch Hampshire's three delivery partners, and one of our trustees, Colin Brown, was one of Healthwatch Hampshire's non-executive directors.

The Healthwatch VCS and Diverse Communities Officer, employed by Action Hampshire until March 2017, supported local not-for-profit organisations and people from among the county's diverse communities to understand and engage with Healthwatch and its work.

Financial Review

Net Incoming Resources

Unrestricted funds show net outgoing resources for the year of £328,194 after accounting for an actuarial loss on the pension fund of £340,000, an unrealised gain on investments of £255,128 and transfers to restricted funds of £53,542. Restricted funds show net incoming resources for the year, after transfers as above of £145,355.

The charity received funding from Hampshire County Council, totaling 14% (2016: 24%) of its grant income for the year. A further 9% (2016: 8%) of grant income was provided by Defra via an agreement with Action with Communities in Rural England. Grants from all sources represent 77% (2016: 69%) 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 £119,853 met the income target for the financial year. The portfolio performance, calculated on changes in asset values with income reinvested, was 12.5% for the financial year, compared to RPI of 3% for the same period. This met the requirement to maintain capital value. Full details of the 2016-17 performance are given in the financial statements at note 13. In calendar year 2017 the forecast annual investment income is £117,852.

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

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The charity aims to maintain free reserves at a minimum of six months of budgeted, unrestricted expenditure. At 31 March 2017, after taking into account the pension scheme liability, unrestricted reserves were £1,177,986. Of these £27,485 related to fixed assets. Designated funds totalling £974,000 were held in respect of premises lease and maintenance, general business development and SSE Hampshire development.

The remaining free reserves of £176,501 represent 3 months of unrestricted expenditure. Given the current financial pressures and uncertain future in the sector, the trustees deem this appropriate as, together with the designated funds, it enables the organisation to continue to invest in its activities and to support the sector.

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

Plans for Future Periods

Traditional grant income, from both local and national government, has declined by approximately 78% over the last 3 years. We are further assuming that it may have completely gone by March 2018. Work has been underway for a number of years to reduce the organisation's reliance on grant income, and the senior management team continues to work on diversifying its income streams.

In March 2016, the Board of Trustees approved plans to establish a trading arm to enable the organisation to clearly separate the charitable and business activities. The trading arm will be expected to generate funds to cover the shortfall in funding as the traditional grant funding reduces.

The organisation will not be limited to trading income and the charitable arm will continue to bid for relevant public sector contracts and apply for grants where the deliverables align with our charitable objects. Our recent success in the Big Lottery and ESF Building Better Opportunities Grant is an example of this.

Structure, Governance and Management

Governing Document

Community Action Hampshire, whose operating name is Action Hampshire, is a company limited by guarantee and is a registered charity. It was incorporated in 1996 and was previously an unincorporated association formed in 1951. Full voting members of the charity guarantee to contribute an amount not exceeding £10 to the assets of the charity in the event of a winding up. The total number of such guarantees at 31 March 2017 was 760 (2016:715). Action Hampshire has 760 full voting members within the total membership of 975. 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

Community Action Hampshire

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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 not be less than nine, of whom a simple majority must be elected. At 31 March 2017, there were 12 trustees. The trustees may act notwithstanding any vacancies in their number.

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

Induction and training of trustees

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

Organisation

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

Related parties

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

Pay policy for senior staff

The Board of trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All trustees give their time freely and no trustee received remuneration in the year. Details of trustees' expenses are disclosed in note 10 to the accounts.

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

Risk Management

The trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the charity faces

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For the year ended 31 March 2017

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

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

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

Trustees' responsibilities in relation to the financial statements

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in operation

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

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

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving the report of the trustees:

Community Action Hampshire
For the year ended 31 March 2017

- There is no relevant audit information of which the charitable company's auditor is unaware;
and
- The trustees have taken all steps that 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.

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
4 October 2017

Independent auditor's report to the members of Community Action Hampshire

Opinion

We have audited the financial statements of Community Action Hampshire (the 'charitable company') for the year ended 31 March 2017 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 2017 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
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent auditor's report (continued)

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Independent auditor's report (continued)

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent auditor's report (continued)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Helen Elliott (Senior statutory auditor)

Date:

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Community Action Hampshire

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

For the year ended 31 March 2017

	Note	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Income from:					
Donations and grants	3	80,496	–	80,496	162,433
Charitable activities					
Support for Voluntary & Community Groups	4	109,114	235,689	344,803	319,378
Support for Communities	4	10,721	200,329	211,050	201,559
Policy & Information	4	24,405	–	24,405	19,998
Support for Social Enterprise	4	–	60,380	60,380	52,111
Engagement and Research	4	93,215	13,020	106,235	73,654
Grant Making	4	–	23,307	23,307	17,364
Investments		119,853	–	119,853	118,565
Total income		437,804	532,725	970,529	965,062
Expenditure on:					
Raising funds	5	24,250	–	24,250	33,488
Charitable activities					
Support for Voluntary & Community Groups	5	251,116	174,218	425,334	449,493
Support for Communities	5	93,096	155,052	248,148	260,514
Policy & Information	5	97,820	–	97,820	112,886
Support for Social Enterprise	5	23,994	91,683	115,677	108,215
Engagement and Research	5	137,308	13,021	150,329	143,153
Grant Making	5	–	6,938	6,938	21,514
Total expenditure		627,584	440,912	1,068,496	1,129,263
Net (expenditure) before net gains / (losses) on investments		(189,780)	91,813	(97,967)	(164,201)
Net gains / (losses) on investments		255,128	–	255,128	(36,464)
Net income / (expenditure) for the year	7	65,348	91,813	157,161	(200,665)
Transfers between funds		(53,542)	53,542	–	–
Net income / (expenditure) before other recognised gains and losses		11,806	145,355	157,161	(200,665)
Actuarial (losses) / gains on defined benefit pension schemes		(340,000)	–	(340,000)	230,000
Net movement in funds		(328,194)	145,355	(182,839)	29,335
Reconciliation of funds:					
Total funds brought forward		1,506,180	219,741	1,725,921	1,696,586
Total funds carried forward		1,177,986	365,096	1,543,082	1,725,921

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 20 to the financial statements.

Community Action Hampshire

Balance sheet

Company no. 3162873

As at 31 March 2017

	Note	£	2017 £	£	2016 £
Fixed assets:					
Tangible assets	12		9,505		15,975
Intangible assets	12		17,980		20,631
Investments	13		3,143,098		2,959,421
			<u>3,170,583</u>		<u>2,996,027</u>
Current assets:					
Debtors	14	80,385		98,260	
Cash at bank and in hand		140,298		140,274	
			<u>220,683</u>	<u>238,534</u>	
Liabilities:					
Creditors: amounts falling due within one year	15	138,184		178,640	
Net current assets			<u>82,499</u>		<u>59,894</u>
Total assets less current liabilities			<u>3,253,082</u>		<u>3,055,921</u>
Net assets excluding pension asset			<u>3,253,082</u>		<u>3,055,921</u>
Defined benefit pension scheme liability	17		(1,710,000)		(1,330,000)
Total net assets			<u><u>1,543,082</u></u>		<u><u>1,725,921</u></u>
The funds of the charity:	20a				
Restricted income funds			365,096		219,741
Unrestricted income funds:					
Designated funds		973,999		882,330	
Fair value reserve		422,727		167,599	
General funds		1,491,260		1,786,251	
Pension reserve		(1,710,000)		(1,330,000)	
Total unrestricted funds			<u>1,177,986</u>		<u>1,506,180</u>
Total charity funds			<u><u>1,543,082</u></u>		<u><u>1,725,921</u></u>

Approved by the trustees on 4 October 2017 and signed on their behalf by

Oliver Rowe
Chairman

Community Action Hampshire

Statement of cash flows

For the year ended 31 March 2017

	Note	2017		2016	
		£	£	£	£
Cash flows from operating activities	21				
Net cash (used in)/provided by operating activities		(187,054)		(157,684)	
Cash flows from investing activities:					
Dividends and interest from investments		119,853		118,565	
Purchase of fixed assets		(4,226)		(20,637)	
Proceeds from sale of investments		190,000		95,000	
Purchase of investments		(118,549)		(117,049)	
Net cash provided by investing activities		<u>187,078</u>		<u>75,879</u>	
Change in cash and cash equivalents in the year			24		(81,805)
Cash and cash equivalents at the beginning of the year			<u>140,274</u>		<u>222,079</u>
Cash and cash equivalents at the end of the year			<u><u>140,298</u></u>		<u><u>140,274</u></u>

1 Accounting policies

a) Statutory information

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

b) Basis of preparation

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

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

c) Public benefit entity

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

d) Going concern

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

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

e) Income

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

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

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

f) Investment income receivable

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

g) Fund accounting

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

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

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

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 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/ 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) amortisation | 3 years |

l) Listed investments

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

m) Debtors

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

1 Accounting policies (continued)

n) Cash at bank and in hand

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

o) Creditors and provisions

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

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

p) Pensions

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

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

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

2 Detailed comparatives for the statement of financial activities

	Unrestricted £	Restricted £	2016 Total £
Income from:			
Voluntary income	162,433	–	162,433
Charitable activities	243,880	440,184	684,064
Investments	118,565	–	118,565
Total income	524,878	440,184	965,062
Expenditure on:			
Raising funds	33,488	–	33,488
Charitable activities	595,728	500,047	1,095,775
Total expenditure	629,216	500,047	1,129,263
Net expenditure before losses on investments	(104,338)	(59,863)	(164,201)
Net losses on investments	(36,464)	–	(36,464)
Net expenditure	(140,802)	(59,863)	(200,665)
Transfers between funds	(46,085)	46,085	–
Net expenditure before other recognised gains and losses	(186,887)	(13,778)	(200,665)
Actuarial gains on defined benefit pension schemes	230,000	–	230,000
Net movement in funds	43,113	(13,778)	29,335
Total funds brought forward	1,463,067	233,519	1,696,586
Total funds carried forward	1,506,180	219,741	1,725,921

3 Income from donations and grants

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Hampshire County Council (HCC) grants	80,496	–	80,496	160,933
NHS Foundation contribution to Provider Steering	–	–	–	1,500
	80,496	–	80,496	162,433

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2017

4 Income from charitable activities

	Unrestricted £	Restricted £	2017 Total £	2016 Total £
Alliance	-	1,327	1,327	106,222
Local Trust for Fratton Big Local	-	76,112	76,112	73,423
Local Trust for Wecock Big Local	-	97,896	97,896	-
Fees, contracts and charges	109,114	60,354	169,468	139,733
Sub-total for Voluntary & Community Groups	109,114	235,689	344,803	319,378
Defra for Rural Community Action Network	-	56,420	56,420	61,044
Hampshire Alliance for Rural Affordable Housing	-	143,909	143,909	129,983
Fees	10,721	-	10,721	10,532
Sub-total for Support for Communities	10,721	200,329	211,050	201,559
Fees and charges	24,405	-	24,405	19,998
Sub-total for Policy & Information	24,405	-	24,405	19,998
Lloyds Bank for School for Social Entrepreneurs	-	42,546	42,546	42,546
PWC UK Young Entrepreneurs	-	-	-	5,000
Big Lottery Fund Building Better Opportunities	-	17,834	17,834	3,842
Fees, charges and other income	-	-	-	723
Sub-total for Social Enterprise	-	60,380	60,380	52,111
Scottish & Southern Energy	-	13,020	13,020	-
Fees, contracts and charges	93,215	-	93,215	73,654
Sub-total for Engagement and Research	93,215	13,020	106,235	73,654
Surrey Community Action for Community Grants	-	-	-	17,364
Local Trust for Fratton Big Local	-	5,307	5,307	-
Local Trust for Wecock Big Local	-	18,000	18,000	-
Sub-total for Grant Making	-	23,307	23,307	17,364
Total income from charitable activities	237,455	532,725	770,180	684,064

5 Analysis of expenditure

	Charitable activities									2016 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 £		2017 Total £
Staff costs (Note 8)	10,098	191,527	128,131	42,828	40,080	90,911	-	8,304	185,638	697,517	684,376
Other staff costs	-	3,001	4,110	4,087	1,702	1,446	-	-	3,400	17,746	17,113
Trustees' costs	-	-	-	-	-	-	-	438	-	438	460
Volunteers' expenses	-	-	-	-	-	-	-	-	-	-	105
Operating costs	12,000	85,242	33,447	6,737	57,345	7,048	2,970	4,193	102,277	311,259	365,633
Grants payable	-	10,000	-	-	-	-	3,968	-	-	13,968	42,403
Depreciation/amortisation	-	3,337	3,337	3,336	-	3,337	-	-	-	13,347	7,201
Audit and accountancy	-	-	-	-	-	-	-	14,221	-	14,221	8,650
Annual report and AGM	-	-	-	-	-	-	-	-	-	-	3,322
	22,098	293,108	169,024	56,988	99,126	102,743	6,938	27,156	291,315	1,068,496	1,129,263
Support costs	2,152	125,437	72,335	34,043	16,551	40,797	-	-	(291,315)	-	-
Governance costs	-	6,789	6,789	6,789	-	6,789	-	(27,156)	-	-	-
Total expenditure 2017	24,250	425,334	248,148	97,820	115,677	150,329	6,938	-	-	1,068,496	
Total expenditure 2016	33,488	449,493	260,514	112,886	108,215	143,153	21,514	-	-	-	1,129,263

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2017

6 Grant Making

	Grants to institutions £	2017 £	2016 £
HARAH	22,611	22,611	20,868
PRENO	10,000	10,000	15,000
Fratton Big Local Community Grants	3,968	3,968	4,150
Capacity and Transition	-	-	2,385
	<u>36,579</u>	<u>36,579</u>	<u>42,403</u>

Hampshire Alliance for Affordable Rural Housing (HARAH)

£22,611 was paid to Winchester City Council in support of the HARAH Strategic Housing Officer

Portsmouth Race Equality Network Organisation (PRENO)

Action Hampshire are the main fund holder for the Live Well project being delivered in conjunction with PRENO. The payments made relate to PRENO's involvement in the project and to reimburse the costs they have incurred.

Fratton Big Local Community Grants

Eight grants were paid to eligible community groups in Fratton, totalling £3,968 and ranging in value from £477 to £500.

7 Net incoming resources for the year

This is stated after charging:

	2017 £	2016 £
Depreciation and amortisation	13,347	7,201
Operating lease rentals:		
Property	62,657	60,500
Other	1,169	917
Auditors' remuneration (excluding VAT):		
Audit	7,000	8,200
Other services	450	450
Foreign exchange gains or losses	-	2,160
	<u>84,663</u>	<u>73,438</u>

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

Staff costs were as follows:

	2017 £	2016 £
Salaries and wages	528,149	503,916
Social security costs	46,862	36,488
Operating costs of defined benefit pension schemes	120,506	143,972
Termination payments	2,000	-
	<u>697,517</u>	<u>684,376</u>

No employee earned more than £60,000 during the year (2016: nil).

The total employee benefits including pension contributions and employer's NI of the key management personnel were £153,046 (2016: £174,250).

A termination payment of £2,000 (2016: nil) was made to an employee at the end of their contract.

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2016: £nil). No charity trustee received payment for professional or other services supplied to the charity (2016: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £438 (2016: £460) incurred by 12 (2016: 10) members relating to attendance at meetings of the trustees.

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2017

9 Staff numbers

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

	2017 No.	2016 No.
Support for Voluntary & Community Groups	9.8	7.1
Support for Communities	3.0	4.0
Policy & Information	2.0	2.0
Support for Social Enterprise	2.0	0.9
Engagement and Research	1.7	2.0
Support and administration	6.2	5.8
	24.7	21.8

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.

Action Hampshire were a partner in Healthwatch Hampshire, along with Help and Care (company no. 3187574) until 31 March 2017. Until that time, an Action Hampshire Trustee also sat on the Healthwatch Hampshire board.

Action Hampshire employed a Healthwatch Hampshire VCS and Diverse Communities Officer until 31 March 2017, the costs of which were recharged to Healthwatch Hampshire 2017: £39,393 (2016: £32,222).

Healthwatch Hampshire rented office space within Action Hampshire's Winchester office at a cost per year of 2017: £7,500 (2016: £7,500). Postage, photocopying, and stationery was also recharged to Healthwatch Hampshire at a cost of 2017: £662 (2016: £158).

The total Healthwatch balance outstanding at year end was £3,892 (2016: £956)

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	20,631	36,586	12,977	70,194
Additions in year	4,226	–	–	4,226
At the end of the year	24,857	36,586	12,977	74,420
Depreciation/amortisation				
At the start of the year	–	20,611	12,977	33,588
Charge for the year	6,877	6,470	–	13,347
At the end of the year	6,877	27,081	12,977	46,935
Net book value				
At the end of the year	17,980	9,505	–	27,485
At the start of the year	20,631	15,975	–	36,606

All of the above assets are used for charitable purposes.

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2017

13 Investments

	2017 £	2016 £
Fair value at the start of the year	2,959,421	2,973,836
Additions at cost	118,549	117,049
Disposal proceeds	(190,000)	(95,000)
Net (loss)/gain on change in fair value	255,128	(36,464)
Fair value at the end of the year	<u>3,143,098</u>	<u>2,959,421</u>
Historic cost at the end of the year	<u>2,720,371</u>	<u>2,791,822</u>
Investments comprise:		
	2017 £	2016 £
CCLA COIF Charities Property Fund	734,643	755,746
CCLA COIF Charities Fixed Interest Fund	144,436	139,152
CCLA COIF Charities Investment Fund	2,057,149	1,786,201
CCLA COIF Charities Deposit Fund	206,770	278,322
Investment in Subsidiary	100	-
	<u>3,143,098</u>	<u>2,959,421</u>

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

14 Debtors

	2017 £	2016 £
Trade debtors	46,110	68,793
Other debtors	-	21,842
Prepayments	34,275	7,625
	<u>80,385</u>	<u>98,260</u>

15 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	21,291	39,160
Payroll creditors	61,514	37,091
Taxation and social security	21,547	15,997
Other creditors	776	18,893
Accruals	21,822	36,955
Deferred income	11,234	30,544
	<u>138,184</u>	<u>178,640</u>

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2017

16 Deferred income

Deferred income comprises £11,234 grant receivable for CCG Portsmouth GP Signposting.

	2017 £	2016 £
Balance at the beginning of the year	30,544	3,608
Amount released to income in the year	(30,544)	(3,608)
Amount deferred in the year	11,234	30,544
Balance at the end of the year	<u>11,234</u>	<u>30,544</u>

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 employees. At 31 March 2017 79% of employees were members. The employer's contribution for 2016/17 is 15.6% plus a fixed contribution of £39,600 and the employee's contribution is between 5.5% and 8.5% of gross salary. All contributors to the scheme receive regular information from the Hampshire Pension Fund.

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

Contributions for the accounting period ending 31 March 2017

The Employer's regular contributions to the Fund for the accounting period ending 31 March 2017 are estimated to be £140,000

Assumptions

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

Principal Financial Assumptions

	2017 % p.a	2016 % p.a	2015 % p.a
Discount Rate	2.5	3.4	3.2
Rate of increase to pensions in payment	2.0	1.7	1.8
Rate of general increase in salaries	3.5	3.2	3.3

Principal Demographic Assumptions

Assumed Life Expectancy at 65

Males

	2017	2016
Member aged 65 at accounting date	24.0	24.6
Member aged 45 at accounting date	26.0	26.7

Females

Member aged 65 at accounting date	27.0	26.4
Member aged 45 at accounting date	29.3	28.7

18 Pension scheme (continued)

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.

	2017 % p.a	2016 % p.a
Equities	60.3	56.3
Property	6.5	8.2
Government Bonds	25.2	25.7
Corporate Bonds	1.4	2.1
Cash	3.4	4.7
Other	3.2	3.0
Total	100.0	100.0

Reconciliation of funded status of Action Hampshire to balance sheet

	2017 £m	2016 £m
Fair value of assets	4.06	3.41
Present value of funded defined benefit obligation	5.77	4.74
Pension liability recognised on the balance sheet	(1.71)	(1.33)

Analysis of amount charged to net incoming resources

	2017 £m	2016 £m
Current service cost	0.12	0.09
Interest on net defined benefit liability / (asset)	0.04	0.05
Total expense recognised	0.16	0.14

Changes to the fair value of liabilities during the year

	2017 £m	2016 £m
Opening present value of liabilities	4.74	4.91
Current service cost	0.12	0.09
Interest cost on pension scheme liabilities	0.16	0.16
Contributions by participants	0.03	0.03
Actuarial (gains)/losses on liabilities*	0.90	(0.30)
Net benefits paid out**	(0.18)	(0.15)
Closing present value of liabilities	5.77	4.74

*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

	2017 £m	2016 £m
Opening fair value of assets	3.41	3.39
Interest income on assets	0.12	0.11
Actuarial gains/(losses) on assets	0.56	(0.07)
Contributions by the employer	0.12	0.10
Contributions by participants	0.03	0.03
Net benefits paid out	(0.18)	(0.15)
Closing fair value of assets	4.06	3.41

Actual return on assets

	2017 £m	2016 £m
Interest income on assets	0.12	0.11
Gain / (loss) on assets	0.56	(0.07)
Closing fair value of assets	0.68	0.04

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2017

19a Analysis of net assets between funds (current year)

	General unrestricted, Fair Value and Pension Reserve £	Designated £	Restricted £	Total funds £
Tangible fixed assets	9,505	-	-	9,505
Intangible fixed assets	17,980	-	-	17,980
Investments	1,827,145	973,999	341,954	3,143,098
Net current assets	59,357	-	23,142	82,499
Defined benefit pension liability	(1,710,000)	-	-	(1,710,000)
Net assets at 31 March 2017	203,987	973,999	365,096	1,543,082

19b Analysis of net assets between funds (prior year)

	General unrestricted, Fair Value and Pension Reserve £	Designated £	Restricted £	Total funds £
Tangible fixed assets	15,975	-	-	15,975
Intangible fixed assets	20,631	-	-	20,631
Investments	1,896,267	882,330	180,824	2,959,421
Net current assets	20,977	-	38,917	59,894
Defined benefit pension liability	(1,330,000)	-	-	(1,330,000)
Net assets at 31 March 2016	623,850	882,330	219,741	1,725,921

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2017

20a Movements in funds (current year)

	At 1 April 2016 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2017 £
Restricted funds:					
Building Better Opportunities	-	17,834	(2,489)	-	15,345
Clinical Commissioning Group (CCG) Portsmouth	31,984	38,000	(35,422)	-	34,562
CCG Portsmouth for PRENO	2,096	15,000	(15,421)	-	1,675
Blagrove	-	3,933	(206)	-	3,727
Fratton Big Local	17,627	81,419	(82,753)	-	16,293
Wecock Big Local	-	115,896	(29,002)	-	86,894
Hampshire Alliance for Affordable Rural Housing	55,123	143,909	(134,960)	-	64,072
Hampshire Independent Equality Forum	1,865	1,160	(2,172)	-	853
Hampshire Interfaith Network	11,119	833	(1,476)	-	10,476
Portsmouth Capacity & Transition Fund	311	1,428	(13,630)	11,891	-
Rural Community Action Network	2,642	56,420	(20,092)	-	38,970
School for Social Entrepreneurs	-	42,546	(84,197)	41,651	-
Social Enterprise Network	1,297	-	-	-	1,297
Sounding Board	10,993	-	(590)	-	10,403
Scottish & Southern Energy	-	13,020	(13,020)	-	-
The Alliance	75,153	1,327	(484)	-	75,996
Young Entrepreneurs	9,531	-	(4,998)	-	4,533
Total restricted funds	219,741	532,725	(440,912)	53,542	365,096
Unrestricted funds:					
Designated funds:					
Westgate Chambers Lease & Maintenance	735,703	-	(68,031)	56,328	724,000
Action Hampshire Business Development	100,000	-	-	-	100,000
School for Social Entrepreneurs Development	13,950	-	-	136,049	149,999
Redundancy Reserve	32,677	-	-	(32,677)	-
Total designated funds	882,330	-	(68,031)	159,700	973,999
Fair value reserve	167,599	255,128	-	-	422,727
General funds	1,786,251	437,804	(519,553)	(213,242)	1,491,260
Total unrestricted funds	2,836,180	692,932	(587,585)	(53,542)	2,887,986
Pension reserve	(1,330,000)	-	(380,000)	-	(1,710,000)
Total funds including pension fund	1,725,921	1,225,657	(1,408,496)	-	1,543,082

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 2017

20b Movements in funds (prior year)

	At 1 April 2015 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2016 £
Restricted funds:					
Building Better Opportunities	-	3,842	(3,842)	-	-
Clinical Commissioning Group (CCG) Portsmouth	49,998	-	(18,014)	-	31,984
CCG Portsmouth for PRENO	25,692	-	(23,596)	-	2,096
Enterprise M3 Local Enterprise Partnership	1,979	-	(1,979)	-	-
Fratton Big Local	50,922	73,423	(106,718)	-	17,627
Hampshire Alliance for Affordable Rural Housing	64,387	129,983	(139,247)	-	55,123
Hampshire Independent Equality Forum	2,465	326	(926)	-	1,865
Hampshire Interfaith Network	16,722	-	(5,603)	-	11,119
Portsmouth Capacity & Transition Fund	8,244	-	(7,933)	-	311
Rural Community Action Network	-	61,044	(58,402)	-	2,642
School for Social Entrepreneurs	-	42,980	(80,485)	37,505	-
Social Enterprise Network	1,297	-	-	-	1,297
Sounding Board	11,813	-	(820)	-	10,993
SE Region Community Grants	-	17,364	(17,364)	-	-
The Alliance	-	106,222	(31,069)	-	75,153
Young Entrepreneurs	-	5,000	(4,049)	8,580	9,531
Total restricted funds	233,519	440,184	(500,047)	46,085	219,741
Unrestricted funds:					
Designated funds:					
Westgate Chambers Lease & Maintenance	700,000	117,678	(81,975)	-	735,703
Action Hampshire Business Development	100,000	-	-	-	100,000
School for Social Entrepreneurs Development	51,455	-	-	(37,505)	13,950
Redundancy Reserve	51,091	-	-	(18,414)	32,677
Total designated funds	902,546	117,678	(81,975)	(55,919)	882,330
Fair value reserve	204,063	43,891	(80,355)	-	167,599
General funds	1,876,458	363,309	(463,350)	9,834	1,786,251
Total unrestricted funds	2,983,067	524,878	(625,680)	(46,085)	2,836,180
Pension reserve	(1,520,000)	230,000	(40,000)	-	(1,330,000)
Total funds including pension fund	1,696,586	1,195,062	(1,165,727)	-	1,725,921

Purposes of restricted funds

Building Better Opportunities

Action Hampshire was a partner in the bidding process for a Big Lottery Fund and ESF Building Better Opportunities Grant. Funding was received to support the development of the bid during the year

Clinical Commissioning Group (CCG) Portsmouth

Funding for a pilot project providing a single point of access to not-for-profit organisations who could provide non-medical support to patients and also to support the CCG to engage strategically with the sector

CCG Portsmouth for Portsmouth Race Equality Network Organisation (PRENO)

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

Blagrove Feedback Fund

Funding to provide training to Children and Young People's organisations in Portsmouth around guided conversations and gaining a better understanding of what young people really want from services.

Enterprise M3 Local Enterprise Partnership

Funding from Enterprise M3 Local Enterprise Partnership to promote not-for-profit sector engagement with the Partnership

Fratton Big Local

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

Wecock Big Local

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

Hampshire Alliance for Affordable Rural Housing (HARAH)

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

Hampshire Independent Equality Forum

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

Hampshire Interfaith Network

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

Portsmouth Capacity & Transition Fund

Funding from Portsmouth City Council to provide additional training and bursary support to organisations in the city to support future capacity and sustainability

Rural Community Action Network

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

School for Social Entrepreneurs

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

Social Enterprise Network

Funding from SE2 Partnership for social enterprise development

Sounding Board

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

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2017

Purposes of restricted funds (continued)

Scottish and Southern Energy

Funding to deliver 6 emergency planning events in vulnerable communities.

The Alliance

The Alliance is an independent charity which has historically supported not-for-profit organisations working with children and young people in Hampshire. In November 2015, the members voted at an extraordinary general meeting to transfer the organisation's assets to Action Hampshire who will continue to support these organisations

Young Entrepreneurs

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

Purposes of designated funds

Westgate Chambers Lease & Maintenance

Funding to provide towards the costs of leasing and maintaining Westgate Chambers, Winchester for the remaining years of the lease

Action Hampshire Business Development

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

School for Social Entrepreneurs Development

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

Redundancy Reserve

Redundancy reserves has been removed as this is covered by the reserves policy

Transfers between funds

A transfer of £41,651 was made from the SSE Hampshire designated fund to the SSE restricted fund to meet the deficit in external grant funding in 2016/17

A transfer of £32,677 was made to general funds from the redundancy reserve as a result of the redundancy provision being reviewed and covered by the reserves policy

A transfer of £11,891 was made from general funds to Portsmouth Capacity and Transition Fund

A transfer of £56,328 was made from general funds to Westgate Chambers Lease and Maintenance to cover the lease and maintenance costs of Westgate Chambers for the remaining years of the property lease

A transfer of £136,049 was made from general funds to School for Social Entrepreneurs Development to support the 5 year contract period

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

	2017 £	2016 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	157,161	(200,665)
Depreciation charges	13,346	7,201
(Gains)/losses on investments	(255,128)	36,464
Dividends and interest from investments	(119,853)	(118,565)
Difference between pension cost charges to SOFA and cash contributions paid	40,001	40,000
Decrease in debtors	17,875	81,527
Decrease in creditors	(40,456)	(3,646)
Net cash (used in) / provided by operating activities	(187,054)	(157,684)

22 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	
	2017	2016	2017	2016
	£	£	£	£
Less than one year	66,000	66,000	1,252	1,252
One to five years	132,000	198,000	-	1,834
	198,000	264,000	1,252	3,086

23 Capital commitments

At the balance sheet date, the charity had committed to £0 (2016: £3,000) to finish development of its Customer Relationship Management database (an intangible asset).

24 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.