

Company number: 3162873

Charity number: 1053806



Community Action Hampshire
Report and Financial Statements
31 March 2018

Community Action Hampshire

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For the year ended 31 March 2018

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Community Action Hampshire

Reference and administrative details

For the year ended 31 March 2018

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

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

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

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

Directors and trustees

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

Oliver Rowe (Chairman, Chairman Finance Committee)

John Bonney

Colin Brown

Martin Collett

Margaret Geary

Jennifer Meadows

Richard Osmond

Rosalind Rutt

Elizabeth Trevor – resigned 26 July 2018

Steven France-Sargeant

Savannah King

Alexander Shapland (on sabbatical)

Vice Presidents: Brian Challis, Janet Chierchia MBE, The Rt. Hon The Earl of Malmesbury DL.

Company Secretary:

Sarah Hurford-Potter - appointed 29 November 2017

Sue Dovey resigned - 29 November 2017

Key management personnel

Senior Management Team

Chief Executive Officer

Sue Dovey

Head of Services

Kirsty Rowlinson

Head of Finance and Contracts

Sarah Hurford-Potter

Community Action Hampshire

Report of the trustees

For the year ended 31 March 2018

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 2018.

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 92 new members this year, bringing our total membership to 1,067. 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 a Spring Conference in May 2017 followed by an AGM on 1 November 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. The Activate Board comprises 2 Action Hampshire trustees and 4 additional directors. After spending time getting to know Action Hampshire's core purpose and areas of expertise, it is now focusing on new projects to generate income for the charity.

Financial pressures are a constant theme for the sector, as reflected in our deficit for the year. 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

Report of the trustees

For the year ended 31 March 2018

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.

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 one to one meetings with CEO Sue Dovey, membership of our Community Buildings Advice Service, free submissions to our fortnightly Jobs and Volunteering Bulletin and a discount on our room hire costs.

Community Action Hampshire

Report of the trustees

For the year ended 31 March 2018

Action Hampshire publications

From April to November, 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** we published an in-depth article on the Fundraising Regulator and what it requires from charities, as well as regular suggestions for implementing GDPR
- **Community Buildings Newsletter** reaching 476 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** 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

In December, following feedback, we condensed our publications into one newsletter; making it easier for readers to keep up to date with information and news. This new format is sent out twice monthly to over 950 contacts. It has been well received and our analytics show it is open and read much more regularly than any of our previous publications.

We also used this opportunity to renew consent to send newsletters, in order to comply with GDPR. We were one of the first organisations nationally to do this and are pleased to have led by example on the implementation of complex data protection legislation for the voluntary sector locally.

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
- Children and Young People's Network
- Hampshire Equalities Group
- Airbrick Network (Social Entrepreneurs network)
- Community Buildings Networks in 7 of Hampshire's 11 districts
- Portsmouth Voluntary & Community Network
- Portsmouth Power Plus
- Portsmouth Children & Young People's Alliance
- Portsmouth Foodbanks
- Portsmouth Forum for Older People's Groups
- Portsmouth FGM Steering Group
- Portsmouth Carers Voice Group

In line with the end of the Action Portsmouth contract in March 2018, the support for the Portsmouth based Networks was handed back to Portsmouth City Council. The consultation with networks for this

Community Action Hampshire

Report of the trustees

For the year ended 31 March 2018

process began in December 2017 to allow plenty of time for the transition. All groups were receiving support directly from PCC by late January, so that Action Hampshire was able to respond to any issues prior to the contract end date.

We also established an online platform for members to discuss, debate and swap ideas on topical voluntary sector news, inspiration and challenges. To date, 114 people have signed up to this service. The community buildings section has been particularly active, with members sharing ideas on a range of issues regarding the day-to-day operation and management of village halls, community centres and similar buildings.

Action Hampshire has provided support to sector representatives on:

- Hampshire Health & Wellbeing Board
- The Hampshire Partnership (formerly the Hampshire Senate)
- Enterprise M3 (Local Economic Partnership) Board
- Hampshire PREVENT Board
- Hampshire Safeguarding Children Board
- Hampshire Safeguarding Adults Board
- Portsmouth Public Service Board
- Portsmouth Better Care Reference Group

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

- Fieldfare LEADER Programme Local Action Group
- Loddon and Test LEADER Programme Local Action Group
- Hampshire Alliance for Rural Affordable Housing (HARAH)
- Hampshire Rural Forum (Trustee Rosalind Rutt is a member of the Steering Group)
- Hampshire Community-led Housing Partnership
- 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
- Shaping Portsmouth Cultural Partnership
- Portsmouth Housing Partnership
- Portsmouth Bridge Project

Action Portsmouth

The Action Portsmouth contract with Portsmouth City Council (PCC) ended in March 2018. The contract was issued in July 2012 for 3 years, extendable for a maximum of 2 additional years. PCC started consultation about the future of Infrastructure Support with the sector in September 2017. An Infrastructure Support Survey was conducted, and the results used to inform decision making around

Community Action Hampshire

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For the year ended 31 March 2018

future provision. The sector placed less emphasis on training and development, and greater emphasis on the need for practical funding support.

In November 2017 PCC decided they needed further time to reflect on the needs of the sector, and as a result brought the Infrastructure Support Contract in-house (for an estimated 6-month period) before putting a new contract out to tender in Autumn 2018. Currently the infrastructure support service is being delivered by a Community Development Worker based in Central Library, 2 days a week.

In the final year of the contract (2017-2018) Action Portsmouth provided 88 general support sessions to community groups and delivered 45 funding advice sessions. We know 9 organisations were successful in applying for funding, totaling £95,601 this year. Predominantly funding was awarded to small community groups by National Lottery Awards for All and Heritage Lottery Fund. Attendance at training events was limited, but successful events included Cybercrime, Making your Community Group Stronger and a Bid Writing Course aimed at senior employees. The Powerplus networking events have continued to run quarterly and attract an average number of 30-60 guests each time, the feedback for this has been excellent. The last Powerplus network event was run in December, PCC now run a quarterly networking event in its place.

A legacy document has been produced to demonstrate the highlights and lessons learned from the work in Portsmouth. The raw management information for the contract has been collated and the following are some headline figures:

Total number of groups supported: 216

Total numbers of individuals supported (telephone/email/face to face): 1662

Total number of individuals accessing training: 1518

Total individuals attending networking events: 659

Total number of funding advice sessions accessed: 868

Total amount of funding secured for groups and causes (recorded): £1,104,499.

Action Portsmouth, in addition to providing support to individual organisations, facilitated 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 FGM Steering group

The Portsmouth Carers Voice continued to be supported by Action Portsmouth until December 2017 PCC have taken the decision to support the PCV and all the other Networks in house and have recruited a member of staff to facilitate this.

The Action Portsmouth Surgery Signposting Service, funded by Portsmouth CCG received 134 referrals during the financial year 2017/2018. The top reason for referral (by a considerable margin) remains loneliness/social isolation, but is closely followed by mental health problems including low mood and anxiety, and mobility issues. These patients were signposted or referred to 113 different 'destination' services, most frequently: Age UK, Advice Portsmouth, Solent Mind and Haven Good Neighbours.

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Fratton Big Local

Action Hampshire is the “Locally Trusted Organization” for Fratton Big Local (FBL) – a £1,000,000 10 year project aimed at regenerating the Fratton area. This means we are supporting the Fratton Big Local board with community developments, finance and project management expertise that will support them to invest in the future of Fratton. The Big Local programme is managed nationally by Local Trust, and is funded by the 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: The fourth annual festival in December to unite the Fratton Community. 350+ people participated in the project, through attendance on the day or lantern making workshops within the community.
- Fratton Global Garden remains open at Manor Infant School. Children and volunteers grew herbs, vegetables, and sunflowers. A harvest celebration was held in October.
- Big Lunch: a community picnic at St Mary’s Churchyard in June, with free tea and cake, bouncy castle, sports games and a brass band.
- Open Spaces Review: The works on the Kingston Rec have started and nearly finished. Planned to fully open to the public April/May 2018. Various activities have been held during school half terms (October, February and April) to engage the public and talk about the Open Spaces project.
- 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 publicizing what they do.
- One day in Fratton: A short story competition was run.
- Youth Project: This continues including various activities during our Open Spaces Half Term activity weeks.
- Community Grants: Have had various Community Chest Grants come through and have had a few successful ones to improve the Fratton Community.
- ESOL project: FBL delivered further ESOL Classes from April to June.
- Solar panels: FBL are no longer pursuing Solar Panels as our long-term investment.
- Property on Clive Road: FBL are in discussions on obtaining a property which has become available on the market located on Clive Road, which has an apartment upstairs and a commercial shop downstairs as our main investment (This replaces the Solar Panels). Further discussions on this will take place during the next year before auctioning accordingly.

Wecock Big Local

Action Hampshire resigned as the “Locally Trusted Organisation” for Wecock Big Local (WBL) on 10 August 2017.

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For the year ended 31 March 2018

CYP Network (formerly The Alliance)

Action Hampshire continues to support 170 Children and Young People's organisations through briefing events and policy work. We held two briefing events this year on

- the changes in the Early Help programme over the previous 12 months, and where voluntary sector organisations are delivering services
- safeguarding, with presentations from Hampshire Safeguarding Children Board on local safeguarding arrangements and current areas of focus.

2. Support for Communities

New homes

Action Hampshire employs two Rural Housing Enablers. This year saw Catherine Kirkham, our Rural Housing Enabler of 5 years take up the new post of Community Housing Advisor, and Beverley Harding Rennie join us as Catherine's replacement.

Rural Housing Enablers helped provide 90 new affordable homes in 8 rural villages across Hampshire. All the homes were prioritised for people in housing need with a local connection to their parish. These schemes not only allow people to stay or return to their community but help to deliver vital investment into rural Hampshire. Over £12million 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, 84 homes are either on site or going through the planning process and will deliver new affordable homes over the next two to three years.

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

In July, Rural Housing Enablers worked with the HARAH partners to celebrate Rural Housing Week. Two events were organised in Wickham and Binstead. Over 65 people attended the events, representing their local villages or organisations working locally. As well as enjoying a delicious cream tea, delegates were able to listen to a number of expert speakers and to visit local affordable housing schemes that showed how new housing can also help the survival of vital community assets and services, such as schools, post offices and pubs.

Throughout the year RHE's also attended the Curdridge Country Show and National Farmers Union conference promoting the work of HARAH and the need for affordable housing in rural villages across Hampshire.

In March HARAH hosted a breakfast event for landowners to learn more about the work of HARAH and how landowners could help to deliver much needed affordable housing in Hampshire villages. Rural Housing Enablers gave a presentation and helped to deliver the event. More than 30 local landowners and agents attended the event which was well received.

Sadly, March also saw a change to the partnership with Basingstoke and Deane making the decision to leave the HARAH partnership.

Community Action Hampshire

Report of the trustees

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Community-led Housing

In 2017 a number of local authorities received government funding to deliver community led housing schemes in their areas. East Hampshire, Hart, Havant and Winchester pooled some of their funding to form the Hampshire Community Housing Partnership (HCHP) and fund a Community Housing Officer post. Catherine Kirkham was appointed Community Housing Officer in October 2017. Catherine's role is to provide community groups with support and guidance to help them deliver community led housing schemes in their local area. Catherine is currently working closely with three local groups. She is also hoping to encourage those on local authority self-build registers to form community led housing groups. Catherine has liaised with some landowners and is also hoping that more promotion will encourage more local community led housing groups to come forward. The HCHP Steering Group is currently reviewing its structure & purpose and believes that the knowledge and resources now in place through the partnership could be used to benefit a wider geography.

Community Buildings 2017-18

Our Community Buildings Officer continues to give guidance and information to anyone involved with a community building in Hampshire. 19 specific email bulletins were sent from 1 April to 2 Nov 2017 to a mailing list of 476 contacts. After 2 Nov, several of our bulletins were amalgamated into one list and the final bulletin of the period was sent to 947 contacts.

Through the year we have worked with colleagues in the district Councils for Voluntary Service and Borough / District Councils to set up local networks for community buildings. These are now established in 7 of Hampshire's 11 districts. The networks have helped community building trustees and staff to form helpful links with counterparts at other organisations, and they have enabled us to make fresh connections with several organisations across the county. We have also offered online networking to community buildings (and other organisations) using the Basecamp system, with 48 reps from Hampshire community buildings signed up to use the system as at 31 March 2018.

Two 'Funding Your Community Building' sessions were held, with 12 attendees in total (9 rated the session as 'Excellent', 3 'Good'). Two tailored sessions were held as a paid-for additional service with specific organisations on topics of their choice

Rural 2017-18

The Hampshire Rural Forum continued through 2016-17, with three steering group meetings and a 'hot topics' workshop after each meeting. Action Hampshire staff led the workshop in November, on the topic of 'Resilience not Reliance'. This covered rural enterprise and community-led housing and invited Forum members to consider how they could encourage and support rural communities to 'do things for themselves'.

Action Hampshire is represented on the steering group by Action Hampshire trustee Rosalind Rutt. The Forum's aim is to enable Hampshire's rural communities to become more visible, effective and sustainable socially, economically and environmentally. In January 2018 Action Hampshire took on the secretariat role for the Forum for a 12 month period.

Community Action Hampshire

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For the year ended 31 March 2018

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

3. Policy and Information

Transparency and Regulators

The most widely reported repercussion of the various crises in the voluntary sector over the past few years has been the decrease in public trust of charities. But the last twelve months has seen the learning from crises translate into the rise of regulators. On the whole, there is consensus that more clarity and guidance is to be welcomed as the sector looks to demonstrate its professionalism, but there are still important questions over how regulators for the sector are funded, who they work for and what functions they serve.

The Fundraising Regulator, now in its second year, has a clear focus to restore public confidence in charities and charitable fundraising, yet in 2017 it did little to earn the confidence of the charities it is supposed to regulate. In the spring, charities spending over £100k on fundraising were sent what appeared to be invoices for voluntary contributions to fund the regulator. Confusion spiralled, charities refused to pay, and the relationship between the regulator and the sector soured. Action Hampshire wrote a briefing paper to help members understand their obligations to the regulator.

The safeguarding scandals at a number of aid agencies encouraged many organisations to look again at their own safeguarding procedures. Some commented on the role of the Charity Commission; both in its investigation of the charities involved, and its lack of guidance on key issues including safeguarding. Perceived failures of the Commission were blamed on poor funding; a consultation on charging charities to pay for the Commission has loomed for many years, but is still not forthcoming.

By contrast, the Information Commissioner's Office (the regulator responsible for data protection and the GDPR) has been a supportive influence for the sector, although admittedly many would have liked more concrete guidance.

For the first time in 2018, the NCVO Almanac included spending on governance in its analysis of the whole sector expenditure on charitable causes. But as austerity continues, the public expects voluntary sector organisations to spend every penny on our founding charitable causes. If we are truly to rebuild public trust, the voluntary sector needs to have an honest conversation about what we spend our money on, and if that includes paying a regulator, what we expect in return.

Going our own way?

There has been little to no engagement with the voluntary sector over the past year on big changes to local structures, including devolution, and the plans to integrate health and social care (the Sustainability and Transformation Plan). This is despite our attempts to engage in both through the Hampshire Voluntary Sector Consortium.

Following our charitable purpose, Action Hampshire has sought to encourage communication among voluntary sector organisations through our State of the Sector survey and report on Local Commissioning practices. We also set up a network on Basecamp, our online discussion forum for members.

4. Social Enterprise

The School for Social Entrepreneurs

In this year we have worked with two cohorts on the Lloyds Bank Social Entrepreneurs programme. Our fifth cohort graduated in October 2017, with 18 adult learners successfully completing the programme. In addition to Hampshire based social entrepreneurs, we brought together students from Brighton, Surrey, Dorset and the Isle of Wight. 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 University of Winchester Business School with an inspiring address by First Deputy Vice-Chancellor, Professor Elizabeth Stuart. Clare, one of our students said 'SSE has had a huge impact on me, both personally and professionally. I have learned so much about running a social enterprise, but mostly, it has given me an amazing group of people who have supported me and validated me throughout. Thank you SSE!'

After successfully securing a further five years provision of the Lloyds Bank programme, we recruited 20 students to the sixth cohort later in 2017 and they are currently taking part in the year long programme. We have enterprises delivering health and social care services; environmental and recycling initiatives; activities and support for older people; gender equality and creative skills. This cohort will graduate in October 2018. In addition, recruitment to the seventh cohort has just opened.

We have been in talks with SSE centrally to consider changing our name to reflect the wider area our students come from, we are the only school in the South East outside London and we regularly attract interest from all the surrounding counties. Rather than find a collective term for the area we cover, in agreement with SSE we have decided to brand ourselves as the School for Social Entrepreneurs. This does fit with the wider strategic aims of the national School to bring together the nine schools in the UK.

We have recruited to and launched a new programme through SSE – the Community Business Trade Up Programme – funded through Power to Change. This brings together people who are running businesses to improve their local community and is a mix of expert sessions and stories from existing community businesses. The grant funding is delivered through a new SSE initiative – *Match Funding* – where participants evidence an increase in their trading income which triggers their grant payments.

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 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. Research and Engagement

Over the past year, Action Hampshire has continued to develop and broaden its research and engagement remit, focusing in particular on health and wellbeing; and the voices of communities. We are also developing our servicers as external evaluators.

Community Action Hampshire

Report of the trustees

For the year ended 31 March 2018

Health and wellbeing

We were commissioned by Healthwatch Hampshire to analyse survey data for several large surveys:

- Domiciliary Care
- Maternity Services

We also completed 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 also carried out data analysis for a survey of over 1,000 respondents, in relation to a GP Surgery moving premises.

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

We are also in the early stages of setting up a 'Warm Hubs' project, funded by an energy supplier.

Evaluation

We were commissioned by a Portsmouth based organisation to support them to carry out an ongoing evaluation of their services

Financial Review

Net Incoming Resources

Unrestricted funds show net outgoing resources for the year of £200,999 after accounting for an actuarial loss on the pension fund of £11,750, a gain on investments of £54,534 and transfers to restricted funds of £1,131. Restricted funds show net outgoing resources for the year, after transfers as above of £202,564.

The charity received funding from Hampshire County Council, totaling 11% (2017: 14%) of its grant income for the year. A further 7% (2017: 9%) of grant income was provided by Defra via an agreement with Action with Communities in Rural England. Grants from all sources represent 82% (2017: 77%) 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.

Community Action Hampshire

Report of the trustees

For the year ended 31 March 2018

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 £119,336 met the income target for the financial year. The portfolio performance, calculated on changes in asset values with income reinvested, was 5.4% 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 2017-18 performance are given in the financial statements at note 13. In calendar year 2018 the forecast annual investment income is £100,000.

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

The charity aims to maintain free reserves at a minimum of six months of budgeted, unrestricted expenditure. At 31 March 2018, after taking into account the pension scheme liability, unrestricted reserves were £976,987. Of these £18,146 related to fixed assets. Designated funds totaling £866,781 were held in respect of premises lease and maintenance, general business development and SSE Hampshire development.

The remaining free reserves of £92,060 represent 2 months of unrestricted expenditure. The trustees intend to build the free reserves up to six months of unrestricted expenditure.

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

Plans for Future Periods

Traditional grant income, from both local and national government, has declined by approximately 80% over the last 4 years. We are further assuming that it will reduce further and may be gone completely in future years. Work has been underway for a number of years to reduce the organisation's reliance on grant income, and the senior management team continues to work on diversifying its income streams.

In March 2016, the Board of Trustees approved plans to establish a trading arm to enable the organisation to clearly separate the charitable and business activities. 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.

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 2018 was 523 (2017:760).

Action Hampshire recategorised its member organisations during the year and following this recategorisation now has 523 full voting members within the total membership of 1,067.

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Report of the trustees

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

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

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

Recruitment and appointment of trustees

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

Trustees elected for the first time must be proposed by a member. Members elect trustees at the Annual General Meeting. The number of trustees shall not exceed fifteen not be less than nine, of whom a simple majority must be elected. At 31 March 2018, 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.

Community Action Hampshire

Report of the trustees

For the year ended 31 March 2018

Pay policy for senior staff

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

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

Risk Management

The trustees have a risk management strategy which comprises:

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

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

Community Action Hampshire

Report of the trustees

For the year ended 31 March 2018

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

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

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

By order of the Board of trustees

Oliver Rowe
Chairman
Date:

Independent examiner's report

To the members of

Community Action Hampshire

I report to the charity trustees on my examination of the accounts of Community Action Hampshire for the year ended 31 March 2018.

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

Responsibilities and basis of report

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

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

Independent examiner's statement

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

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

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

Independent examiner's report

To the members of

Community Action Hampshire

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

Helen Elliott FCA

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

Date:

Community Action Hampshire

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

For the year ended 31 March 2018

	Note	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Income from:					
Donations and grants	3	80,496	–	80,496	80,496
Charitable activities					
Support for Voluntary & Community Groups	4	86,261	265,645	351,906	344,803
Support for Communities	4	3,471	246,600	250,071	211,050
Policy & Information	4	27,093	–	27,093	24,405
Support for Social Enterprise	4	400	157,887	158,287	60,380
Engagement and Research	4	180	8,465	8,645	106,235
Grant Making	4	–	(2,128)	(2,128)	23,307
Investments		119,336	–	119,336	119,853
Total income		317,237	676,469	993,706	970,529
Expenditure on:					
Raising funds	5	24,099	–	24,099	24,250
Charitable activities					
Support for Voluntary & Community Groups	5	168,392	386,304	554,696	425,334
Support for Communities	5	62,846	260,910	323,756	248,148
Policy & Information	5	111,194	–	111,194	97,820
Support for Social Enterprise	5	61,582	213,331	274,913	115,677
Engagement and Research	5	131,776	8,465	140,241	150,329
Grant Making	5	–	11,154	11,154	6,938
Total expenditure		559,889	880,164	1,440,053	1,068,496
Net (expenditure) before net gains / (losses) on investments		(242,652)	(203,695)	(446,347)	(97,967)
Net gains / (losses) on investments		54,534	–	54,534	255,128
Net income / (expenditure) for the year	7	(188,118)	(203,695)	(391,813)	157,161
Transfers between funds		(1,131)	1,131	–	–
Net income / (expenditure) before other recognised gains and losses		(189,249)	(202,564)	(391,813)	157,161
Actuarial (losses) / gains on defined benefit pension schemes		(11,750)	–	(11,750)	(340,000)
Net movement in funds		(200,999)	(202,564)	(403,563)	(182,839)
Reconciliation of funds:					
Total funds brought forward		1,177,986	365,096	1,543,082	1,725,921
Total funds carried forward		976,987	162,532	1,139,519	1,543,082

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

Community Action Hampshire

Balance sheet

Company no. 3162873

As at 31 March 2018

	Note	£	2018 £	£	2017 £
Fixed assets:					
Tangible assets	12		4,750		9,505
Intangible assets	12		13,396		17,980
Investments	13		2,874,394		3,143,098
			<u>2,892,540</u>		<u>3,170,583</u>
Current assets:					
Debtors	14	52,401		80,385	
Cash at bank and in hand		116,571		140,298	
		<u>168,972</u>		<u>220,683</u>	
Liabilities:					
Creditors: amounts falling due within one year	15	151,993		138,184	
			<u>16,979</u>		<u>82,499</u>
Net current assets					
			<u>2,909,519</u>		<u>3,253,082</u>
Total assets less current liabilities					
			<u>2,909,519</u>		<u>3,253,082</u>
Net assets excluding pension asset/(liability)					
Defined benefit pension scheme liability	17	(1,770,000)		(1,710,000)	
Total net assets			<u><u>1,139,519</u></u>		<u><u>1,543,082</u></u>
The funds of the charity:					
Restricted income funds	19a		162,532		365,096
Unrestricted income funds:					
Designated funds		866,781		973,999	
Fair value reserve		477,260		422,727	
General funds		1,402,946		1,491,260	
Pension reserve		(1,770,000)		(1,710,000)	
			<u>976,987</u>		<u>1,177,986</u>
Total unrestricted funds					
			<u><u>1,139,519</u></u>		<u><u>1,543,082</u></u>

Approved by the trustees on 3 October 2018 and signed on their behalf by

Oliver Rowe
Chairman

Community Action Hampshire

Statement of cash flows

For the year ended 31 March 2018

	Note	2018	2017
		£	£
Cash flows from operating activities	20		
Net cash (used in)/provided by operating activities		(466,300)	(187,054)
Cash flows from investing activities:			
Dividends and interest from investments		119,336	119,853
Purchase of fixed assets		–	(4,226)
Proceeds from sale of investments		442,000	190,000
Purchase of investments		(118,763)	(118,549)
Net cash provided by investing activities		<u>442,573</u>	<u>187,078</u>
Change in cash and cash equivalents in the year		(23,727)	24
Cash and cash equivalents at the beginning of the year		<u>140,298</u>	<u>140,274</u>
Cash and cash equivalents at the end of the year		<u><u>116,571</u></u>	<u><u>140,298</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 £	2017 Total £
Income from:			
Voluntary income	80,496	-	80,496
Charitable activities	237,455	532,725	770,180
Investments	119,853	-	119,853
Total income	437,804	532,725	970,529
Expenditure on:			
Raising funds	24,250	-	24,250
Charitable activities	603,334	440,912	1,044,246
Total expenditure	627,584	440,912	1,068,496
Net expenditure before losses on investments	(189,780)	91,813	(97,967)
Net gains/(losses) on investments	255,128	-	255,128
Net expenditure	65,348	91,813	157,161
Transfers between funds	(53,542)	53,542	-
Net expenditure before other recognised gains and losses	11,806	145,355	157,161
Actuarial (losses)/gains on defined benefit pension schemes	(340,000)	-	(340,000)
Net movement in funds	(328,194)	145,355	(182,839)
Total funds brought forward	1,506,180	219,741	1,725,921
Total funds carried forward	1,177,986	365,096	1,543,082

3 Income from donations and grants

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Hampshire County Council (HCC) grants	80,496	-	80,496	80,496
	80,496	-	80,496	80,496

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2018

4 Income from charitable activities

	Unrestricted £	Restricted £	2018 Total £	2017 Total £
Alliance	-	-	-	1,327
Local Trust for Fratton Big Local	-	270,298	270,298	76,112
Local Trust for Wecock Big Local	-	(30,694)	(30,694)	97,896
Fees, contracts and charges	86,261	26,041	112,302	169,468
Sub-total for Voluntary & Community Groups	86,261	265,645	351,906	344,803
Defra for Rural Community Action Network	-	52,505	52,505	56,420
Hampshire Alliance for Rural Affordable Housing	-	149,196	149,196	143,909
Community Led Housing Fund	-	44,899	44,899	-
Fees	3,471	-	3,471	10,721
Sub-total for Support for Communities	3,471	246,600	250,071	211,050
Fees and charges	27,093	-	27,093	24,405
Sub-total for Policy & Information	27,093	-	27,093	24,405
Lloyds Bank for School for Social Entrepreneurs	-	65,429	65,429	42,546
Big Lottery Fund Building Better Opportunities	-	92,458	92,458	17,834
Fees, charges and other income	400	-	400	-
Sub-total for Social Enterprise	400	157,887	158,287	60,380
Healthwatch	-	3,250	3,250	-
Hurstborne Priors	-	5,215	5,215	13,020
Fees, contracts and charges	180	-	180	93,215
Sub-total for Engagement and Research	180	8,465	8,645	106,235
Local Trust for Fratton Big Local	-	5,505	5,505	5,307
Local Trust for Wecock Big Local	-	(7,633)	(7,633)	18,000
Sub-total for Grant Making	-	(2,128)	(2,128)	23,307
Total income from charitable activities	117,405	676,469	793,874	770,180

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2018

5 Analysis of expenditure

	Charitable activities									2018 Total £	2017 Total £
	Cost of raising funds £	Support for Voluntary & Community Groups £	Support for Communities £	Policy & Information £	Support for Social Enterprise £	Engagement and Research £	Grant Making £	Governance costs £	Support costs £		
Staff costs (Note 8)	9,296	160,948	134,643	40,403	69,959	62,966	-	8,304	290,899	777,418	697,517
Other staff costs	-	3,213	5,638	1,803	4,451	967	-	-	14,158	30,230	17,746
Trustees' costs	-	-	-	-	-	-	-	766	-	766	438
Operating costs	10,941	220,882	86,901	31,043	157,485	23,417	5,998	3,135	75,065	614,867	311,259
Grants payable	-	7,397	-	-	-	-	5,156	-	-	12,553	13,968
Depreciation/amortisation	-	2,335	2,335	2,335	-	2,335	-	-	-	9,340	13,347
Audit and accountancy	-	-	-	-	-	-	-	(5,121)	-	(5,121)	14,221
	20,237	394,775	229,517	75,584	231,895	89,685	11,154	7,084	380,122	1,440,053	1,068,496
Support costs	3,862	158,150	92,468	33,839	43,018	48,785	-	-	(380,122)	-	-
Governance costs	-	1,771	1,771	1,771	-	1,771	-	(7,084)	-	-	-
Total expenditure 2018	24,099	554,696	323,756	111,194	274,913	140,241	11,154	-	-	1,440,053	
Total expenditure 2017	24,250	425,334	248,148	97,820	115,677	150,329	6,938	-	-	-	1,068,496

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2018

6 Grant Making

	Grants to institutions £	2018 £	2017 £
HARAH	22,094	22,094	22,611
PRENO	-	-	10,000
Fratton Big Local Community Grants	3,758	3,758	3,968
Capacity and Transition	-	-	-
	<u>25,852</u>	<u>25,852</u>	<u>36,579</u>

Hampshire Alliance for Affordable Rural Housing (HARAH)

£22,094 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 in 2016/7 relate to PRENO's involvement in the project and to reimburse the costs they have incurred.

Fratton Big Local Community Grants

Six grants were paid to eligible community groups in Fratton, totalling £3,758 and ranging in value from £470 to £2,000.

7 Net incoming resources for the year

This is stated after charging:

	2018 £	2017 £
Depreciation and amortisation	9,339	13,347
Operating lease rentals:		
Property	61,363	62,657
Other	935	1,169
Auditors' remuneration (excluding VAT):		
Audit	-	7,000
Other services	450	450
Independent examination fee (excluding VAT)	<u>3,500</u>	<u>-</u>

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

Staff costs were as follows:

	2018 £	2017 £
Salaries and wages	552,349	528,149
Social security costs	45,069	46,862
Operating costs of defined benefit pension schemes	180,000	120,506
Termination payments	-	2,000
	<u>777,418</u>	<u>697,517</u>

No employee earned more than £60,000 during the year (2017: nil).

The total employee benefits including pension contributions and employer's NI of the key management personnel were £164,400 (2017: £153,046).

No termination payments were made to any employees (2017: £2,000).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2017: £nil). No charity trustee received payment for professional or other services supplied to the charity (2017: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £766 (2017: £438) incurred by 12 (2017: 12) members relating to attendance at meetings of the trustees.

9 Staff numbers

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

	2018 No.	2017 No.
Support for Voluntary & Community Groups	9.3	9.8
Support for Communities	3.3	3.0
Policy & Information	1.0	2.0
Support for Social Enterprise	2.0	2.0
Engagement and Research	2.5	1.7
Support and administration	6.5	6.2
	<u>24.6</u>	<u>24.7</u>

10 Related party transactions

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

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 2018:£0 (2017:£39,393).

Healthwatch Hampshire rented office space within Action Hampshire's Winchester office until 8 June 2018 at a cost per year of 2018: £7,500 (2017: £7,500). Postage, photocopying, and stationery was also recharged to Healthwatch Hampshire at a cost of 2018: £79 (2017: £662).

The total Healthwatch balance outstanding at year end was £3,329 (2017: £3,892)

11 Taxation

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

12 Fixed assets

	Intangible Computer software £	Tangible Fixtures and fittings £	Tangible Computer equipment £	Total £
Cost				
At the start of the year	24,857	36,586	12,977	74,420
Additions in year	-	-	-	-
At the end of the year	<u>24,857</u>	<u>36,586</u>	<u>12,977</u>	<u>74,420</u>
Depreciation/amortisation				
At the start of the year	6,877	27,081	12,977	46,935
Charge for the year	4,584	4,755	-	9,339
At the end of the year	<u>11,461</u>	<u>31,836</u>	<u>12,977</u>	<u>56,274</u>
Net book value				
At the end of the year	<u>13,396</u>	<u>4,750</u>	<u>-</u>	<u>18,146</u>
At the start of the year	<u>17,980</u>	<u>9,505</u>	<u>-</u>	<u>27,485</u>

All of the above assets are used for charitable purposes.

13 Investments

	2018 £	2017 £
Fair value at the start of the year	3,143,098	2,959,421
Additions at cost	118,763	118,549
Disposal proceeds	(442,000)	(190,000)
Net (loss)/gain on change in fair value	54,533	255,128
Fair value at the end of the year	<u>2,874,394</u>	<u>3,143,098</u>
Historic cost at the end of the year	<u>2,397,134</u>	<u>2,720,371</u>
Investments comprise:		
	2018 £	2017 £
CCLA COIF Charities Property Fund	506,147	734,643
CCLA COIF Charities Fixed Interest Fund	90,757	144,436
CCLA COIF Charities Investment Fund	2,093,857	2,057,149
CCLA COIF Charities Deposit Fund	183,533	206,770
Investment in Subsidiary	100	100
	<u>2,874,394</u>	<u>3,143,098</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.

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2018

14 Debtors

	2018 £	2017 £
Trade debtors	23,047	46,110
Other debtors	-	-
Prepayments	29,354	34,275
	<u>52,401</u>	<u>80,385</u>

15 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	2,446	21,291
Payroll creditors	29,987	61,514
Taxation and social security	-	21,547
Other creditors	15,629	776
Accruals	14,910	21,822
Deferred income	89,021	11,234
	<u>151,993</u>	<u>138,184</u>

16 Deferred income

Deferred income comprises £89,021 grant receivable for Community Led Housing.

	2018 £	2017 £
Balance at the beginning of the year	11,234	30,544
Amount released to income in the year	(11,234)	(30,544)
Amount deferred in the year	89,021	11,234
	<u>89,021</u>	<u>11,234</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 existing employees. At 31 March 2018 73% of employees were members. The employer's contribution for 2017/18 is 16.6% plus a fixed contribution of £57,000 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.

With effect from September 2018 all new employees will join a defined contribution pension scheme.

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 2018

The Employer's regular contributions to the Fund for the accounting period ending 31 March 2018 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

	2018	2017	2016
	% p.a	% p.a	% p.a
Discount Rate	2.6	2.5	3.4
Rate of increase to pensions in payment	2.1	2.0	1.7
Rate of general increase in salaries	3.6	3.5	3.2

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

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

Females

Member aged 65 at accounting date	27.2	27.0
Member aged 45 at accounting date	29.4	29.3

17 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.

	2018	2017
	% p.a	% p.a
Equities	62.6	60.3
Property	7.0	6.5
Government Bonds	23.7	25.2
Corporate Bonds	1.0	1.4
Cash	2.6	3.4
Other	3.1	3.2
Total	100.0	100.0

Reconciliation of funded status of Action Hampshire to balance sheet

	2018	2017
	£m	£m
Fair value of assets	4.18	4.06
Present value of funded defined benefit obligation	5.95	5.77
Pension liability recognised on the balance sheet	(1.77)	(1.71)

Analysis of amount charged to net incoming resources

	2018	2017
	£m	£m
Current service cost	0.14	0.12
Interest on net defined benefit liability / (asset)	0.04	0.04
Total expense recognised	0.18	0.16

Changes to the fair value of liabilities during the year

	2018	2017
	£m	£m
Opening present value of liabilities	5.77	4.74
Current service cost	0.14	0.12
Interest cost on pension scheme liabilities	0.14	0.16
Contributions by participants	0.03	0.03
Actuarial (gains)/losses on liabilities*	0.04	0.90
Net benefits paid out**	(0.17)	(0.18)
Closing present value of liabilities	5.95	5.77

*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

	2018	2017
	£m	£m
Opening fair value of assets	4.06	3.41
Interest income on assets	0.10	0.12
Actuarial gains/(losses) on assets	0.03	0.56
Contributions by the employer	0.13	0.12
Contributions by participants	0.03	0.03
Net benefits paid out	(0.17)	(0.18)
Closing fair value of assets	4.18	4.06

Actual return on assets

	2018	2017
	£m	£m
Interest income on assets	0.10	0.12
Gain / (loss) on assets	0.03	0.56
Closing fair value of assets	0.13	0.68

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

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

18b Analysis of net assets between funds (prior 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

Community Action Hampshire

Notes to the financial statements

For the year ended 31 March 2018

19a Movements in funds (current year)

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

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 2018

19b Movements in funds (prior year)

	At 31 March 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	(587,584)	(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

Movements in funds (continued)

Purposes of restricted funds

Building Better Opportunities

Action Hampshire are a partner in the a Big Lottery Fund and ESF Building Better Opportunities Grant. Funding was received to support participants who are not in paid employment and are interested in setting up their own social enterprise. Claims are paid in arrears and the deficit balance is expected to be received in 2018/19.

Clinical Commissioning Group (CCG) Portsmouth

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

NHS West Hampshire CCG

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

Hampshire Rural Forum

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

CCG Portsmouth for Portsmouth Race Equality Network Organisation (PRENO)

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

Blagrove Feedback Fund

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

Fratton Big Local

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

Wecock Big Local

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

Community Led Housing Fund

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

Hampshire Alliance for Affordable Rural Housing (HARAH)

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

Hampshire Independent Equality Forum

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

Hampshire Interfaith Network

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

Rural Community Action Network

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

School for Social Entrepreneurs

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

Social Enterprise Network

Funding from SE2 Partnership for social enterprise development

Purposes of restricted funds (continued)

Sounding Board

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

Healthwatch

Funding to undertake a maternity survey.

Hurstborne Priors HNS

Funding to undertake a housing needs survey.

The Alliance

The Alliance was an independent charity which historically supported not-for-profit organisations working with children and young people in Hampshire. In November 2015, the members voted at an extraordinary general meeting to transfer the organisation's assets to Action Hampshire who will continue to support these organisations. The Hampshire Voluntary Sector Children and Young People's Alliance was dissolved on 8 August 2017 and subsequently removed from the central register of charities.

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 £4,858 was made from the SSE Hampshire designated fund to the SSE restricted fund to meet the deficit in external grant funding in 2017/18.

A transfer of £3,727 was made from the Blagrove fund.

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

	2018 £	2017 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(391,813)	157,161
Depreciation charges	9,340	13,346
(Gains)/losses on investments	(54,534)	(255,128)
Dividends and interest from investments	(119,336)	(119,853)
Difference between pension cost charges to SOFA and cash contributions paid	48,250	40,001
Decrease in debtors	27,984	17,875
Increase in creditors	13,809	(40,456)
Net cash (used in) / provided by operating activities	(466,300)	(187,054)

21 Operating lease commitments

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

	Property		Equipment	
	2018 £	2017 £	2018 £	2017 £
Less than one year	66,000	66,000	1,252	1,252
One to five years	264,000	132,000	-	-
	330,000	198,000	1,252	1,252

22 Legal status of the charity

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