

COMMUNITIES FIRST WESSEX

Company number: 08071971

**REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021**

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2021

Charity registration number: 1147527

Company registration number: 8071971

Registered office address

Leigh Park Community Centre
Dunsbury Way
Havant
Hampshire
PO9 5BG

Auditors

Morris Crocker
Station House
North St
Havant
PO9 1QU

Bankers

Lloyds Bank PLC
4 West Street
Havant
PO9 1PE

Directors / Trustees serving during the year

| | |
|-------------------|---------------------------------|
| Beverley Jones | Chairman |
| Trevor Lewis | Vice Chairman |
| Jennifer Owens | |
| Margaret Woodhead | Resigned 10.09.21 |
| Dr John Evans | |
| Denis Gibson | |
| Clive Graham | |
| David Eley | Appointed (Co-opted) 14.05.2020 |
| Paul Kirkland | Appointed (Co-opted) 14.05.2020 |

Chief Executive Officer

Tim Houghton

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Chairman's Foreword

Welcome to this Annual Report of the Trustees and Directors of Communities First Wessex for the year ending March 2021.

It has been an extraordinary year impacted as we all have been by the COVID 19 pandemic which challenged and tested us and many of our member groups in ways we haven't experienced before. We are extremely proud of the way we and the sector as a whole responded mobilising over 1,000 volunteers and working alongside partners in the Local Resilience Forum and Local Response Centres. We know that many vulnerable residents received the critical help and support required because of the response and dedication of our staff and volunteers.

Each year Community First continues to invest in and modernise the way we provide effective support to our service users and voluntary community and social enterprise organisations. As a recently established but ever evolving organisation we have come a long way in a very short time. It never hurts to reflect on how we have evolved. Ours has not been a revolutionary experience, more about five organisations, merging their interests to make substantial savings on overheads and key staff, so that more resources can be targeted at new and improved support services alongside greater investment in digital technology. Collectively as one new entity we want to be looking to the future, the realities of business and financial realities and how best to respond to change.

- We started the ball rolling in 2012 when Community First East Hampshire merged with Havant Council of Community Service and appointed a new Chief Executive, Tim Houghton to manage the new combined entity. Merging organisations is never an easy task combining the culture and operational values of two distinct organisations, pooling talents, reducing duplication whilst at the same time delivering improved results.
- In 2015 a further merger was sealed with Winchester Area Community Action; this time with more consideration of the strategic benefits of merging, thinking about the future sustainability of the organisation, the benefits of working at scale and capability to offer security of supply to commissioners.
- In 2018 Community First joined with Community Action Fareham. The board of that organisation, after careful consideration and scrutiny, considered this to be the right move, securing a future for their staff and volunteers and to continue to help Fareham community groups and residents.

Since 2012 we have made significant progress in enhancing the composition of both the board of Directors and our senior leadership team. We have now a strong and diverse board equipped with a compelling mix of skills and experience relevant to the challenges and opportunities we face. At the height of the pandemic we took the time to revisit and review our strategy, vision and plans for change knowing that they will be needed and which we are now implementing.

- In 2019 we began discussions with Community First New Forest leading to a merger in 2020. Following this latest merger Community First now operates as one single organisation across more than 50% of Hampshire with around 80% of the population covered by at least one of our services.

During the latter part of the year and following the review of our strategy and having seen the impact of the pandemic on our staff and giving thought to the type and extent of services which might be required in the future, we undertook a comprehensive review of staff salaries,

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conditions and how we measure performance. We recognised that with so much change particularly with mergers that we needed to establish solid foundations for rewarding and looking after staff going forward. We do all we can to support our employees recognizing that nearly all we do as an organisation is based on their relationships with partners and beneficiaries and extraordinary standards of customer service. At same time we wanted to be very clear with staff about the organisation's future expectations and help collectively improve and maintain that high performance. Our CEO and senior team are working hard to lay the foundations for and implement an organisational improvement plan to underpin the quality and approach to everything we do and so we are fully prepared for the steps we will undoubtedly need to take going forward. At the same time, we are reviewing our wider approach, investing in digital technology, redesigning and providing support in the most efficient and effective way, piloting new models to help vulnerable people but in way that helps them to themselves and minimizes risk of dependency. As an organisation we believe strongly in people understanding what has to be achieved and what changes are necessary and undertaken at pace. Less talk plus more decisive and bold action equals better results.

In 20/21 we wanted to remember what has been achieved in this extraordinary year. Looking forward we hope, if conditions are right, to join with a variety of different organisations, where we can assist them and they can reinforce us, in offering an improved model of support to organisations. We are already doing this – merging our RASAC (Rape & Sexual Abuse Centre) with BRASACC (Basingstoke's Rape and Sexual Abuse Crisis Centre) at the end of the financial year to create new service START delivering consistently across the whole of north and mid Hampshire. As we move forward in 2021, one of our new ventures has involved us reopening and managing a community and sports centre. So far the results have been very solid and we are already planning with partners to extend the size of the building because of demand. Our Services for vulnerable people including the work of our Wellbeing Workers and our increased role in delivering health outcomes is being recognised by further investment from health and social care partners. Our volunteer service came into its own during the pandemic showing how effective we are at mobilising local volunteers and this work continues apace including a successful bid to the lottery to invest in a new Timebank initiative benefitting residents in the Whitehill and Bordon area.

Despite and in addition to the COVID challenge we continue to play a leading role in Hampshire's CVS network as the Single Contracted Organisation for Hampshire County Council Voluntary sector infrastructure support grant. We continue to adapt and adjust these arrangements in the light of experience and to ensure it works well and delivers what the County Council wants from the 8 voluntary and community infrastructure organisations. We are very grateful to the support we get from our members and the hundreds of voluntary organisations in our area. We in turn are especially grateful to Hampshire County Council, East Hampshire District Council, Havant Borough Council, New Forest District Council and Winchester City Council, Basingstoke & Deane Borough Council and Fareham Borough and Chichester District Councils, NHS and Hampshire, Southampton and IOW Clinical Commissioning Group, the Office of the Police and Crime Commissioner, Hampshire & IOW Community Foundation and the many parish and town councils, National Lottery and many others who contribute time, expertise and money to help our cause. We thank our staff and army of volunteers and are grateful for the expertise of our business partners.

I am very grateful to my fellow directors for contributing their time and effort in helping us develop an organisation with a very can-do attitude in maintaining and developing new services. The board wants the organisation to thrive, to see it doing things differently, and to steer a way forward that enables us over the coming years to:

- improve the wellbeing and health of communities in which we operate
- be a credible and preferred partner for funders, members and customers

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- generate income and surplus from our enterprises to re-invest in developing our capacity, resilience and self-sufficiency, alongside that of the wider voluntary sector.
- continue to grow through mergers and partnerships.

Exciting and challenging times lie ahead - the pandemic has been tough but it creates new opportunities for us as leaders in the voluntary sector in Hampshire to build on the value we have so ably demonstrated in the past year and on which we can now build in a spirit of renewed collaboration and partnership. We know that we are needed more than ever and now is our chance to shine.

Beverley Jones
Chairman

Management and Governance

Communities First Wessex (CFW) (trading as Community First) is a Registered Charity and Company Limited by Guarantee. The company is governed by its Memorandum and Articles of Association which were established in 2012 and subsequently amended by special resolution in May 2015, July 2017 and January 2018.

Communities First Wessex has been created following merger of 5 district CVSs (Councils of Voluntary Service); incorporating Havant Council of Community Service and Community First East Hampshire (2012), Winchester Area Community Action (2015), Community Action Fareham (2018) and Community First New Forest (2020). We manage centrally and deliver locally, operating at scale with central management and governance, whilst retaining local teams and services tailored to our communities and member groups.

Board of Directors and Senior Management

The Trustees of the Charity are the Directors of the Company. The Directors meet up to 6 times each year with an Executive Committee comprising Chair, Vice Chair and CEO, meeting monthly. A Finance Sub group meets quarterly and a Remuneration and HR Committee meets twice a year. Additional working parties, task and sub groups are created when required and Directors are invited to support specific programmes where they have relevant expertise and knowledge.

The Directors are responsible for determining the strategy and establishing plans to meet our charity objects. The Executive Committee oversee the plans, ensuring there are appropriate resources including finance, operational staffing and business development capacity, to implement these effectively. The Senior Leadership Team comprising Chief Executive, Finance Director, Community Development Director and Enterprise Director are responsible for the day-to-day management of the organisation and service delivery.

Communities First Wessex is a member of the National Association for Voluntary and Community Action (NAVCA) and National Council for Voluntary Organisations (NCVO)

Recruiting and Supporting Directors

- We draw on the skills and experience of existing Directors matching these to the needs and activities of the business set out in our strategy

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- Skill gaps are identified by the Executive Committee and actions to address these are agreed by the board. Nominations are invited throughout the year through contact with member groups, partners and individuals with the requisite skills and experience.
- Securing specific skills can require additional action such as advertising through local networks, contacts and companies.
- New directors may be appointed after merger with representatives of boards of those we are merging with joining the Community First board.
- We are mindful of the need to ensure a diverse board reflecting the communities with which we work and the groups we support.
- Directors are provided with background information about the organisation, our work and values and the wider role of serving as a charity Trustee using Charity Commission's recommended guidance.
- Directors are offered training and encouraged to attend events and meet staff to gain a good understanding of some of the challenges and opportunities we face

Local Authority Councillors

Local authorities are important stakeholders and partners for Community First. In addition to day to day contact with key officers, Councillors may be nominated by our local authority partners to act as advisers providing additional support and acting as a point of communication allowing better understanding of our work and in identifying and responding to priorities in local communities

Aims, Objectives, Activities and Achievements

The Charity's objects are:

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

Delivering public benefit

Communities First Wessex (CFW) supports a thriving, active and influential voluntary sector across Hampshire and surrounding areas, through our leadership of the Hampshire CVS network and direct delivery in East Hampshire, Havant, Winchester, Fareham and the New Forest. We also deliver transport services in Basingstoke & Deane and Gosport and shopmobility services in Chichester and trauma based and sexual abuse counselling across the whole of north and mid Hampshire. Our Health and Wellbeing networks also provide countywide support.

Our activities and services include;

- **Support for voluntary, community and social enterprise organisations (VCSE):** Providing information, guidance, training and one-to-one support to voluntary and community groups, enabling them to develop their staff and volunteers, access funding, deliver better services, and measure their impact. We also provide leadership and a voice for VCSE groups increasing their influence and acting as a conduit for engagement with statutory partners including NHS and local authorities.

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- **Volunteering;** working with individuals and voluntary groups to recruit, place, support and train community volunteers leading to a significant increase in the number and range of people taking up volunteering for the first time and providing opportunities for those needing support to volunteer
- **Health and Wellbeing;** Support to enable commissioners and those working in local authority health & social care, children's services and in the NHS to access and utilise expertise in the voluntary and community sector to deliver better health and wellbeing outcomes for residents including older and vulnerable people and those in crisis.
- **Community hubs;** operating community and sports facilities and advising those managing community buildings
- **Accessible and affordable community transport** in Basingstoke, East Hampshire, Fareham, Gosport, Havant, New Forest, Winchester and surrounding areas. We also provide services helping young people to get to work through our Wheels to Work initiative
- **Mobility;** helping people stay mobile and active in town centres and at significant events
- **Specialist trauma based counselling** supporting those who have suffered sexual abuse, rape and trauma
- **Young people;** Providing advice, guidance and support for young people through our young carers initiative

As an independent membership organisation with 600 members we believe that we are stronger by working together. Our membership will be relaunched and refreshed in 2021/22 to enable us to better support local VCSE organisations

Our specific aims in 2020– 2021 were to:

1. Provide and mobilise support to vulnerable people and to assist organisations providing support during the COVID 19 pandemic
2. Enable VCSE organisations to deliver greater impact and maintain viability, including identifying and supporting funding bids, building partnerships and exploring commissioning with local authorities and NHS partners. We work closely with Clinical Commissioning Groups, NHS bodies and local authorities to help communities build resilience and to reduce reliance on social care and health services.
3. Be the single contracted organisation and continue to lead the CVS network for Hampshire.
4. Provide organisations with one-to-one support and advice on governance, income generation, restructuring, staff development and DBS checks.
5. Deliver quality training helping groups to up-skill, become sustainable and adapt service delivery models to meet funders' requirements. Through training and personal development, we also provide support for those seeking to return to work.

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6. Promote and support volunteering by increasing the number of people taking up volunteering for the first time and enabling those in need of additional support, including those with learning disabilities and mental health needs to take up volunteering.
7. Deliver services to local communities and develop new enterprises to expand and develop these;
 - a. Community Transport services across East Hampshire, Fareham, Gosport, Havant, Winchester and Basingstoke & Deane and deliver Shopmobility in Chichester, Fareham and Winchester.
 - b. Health and Wellbeing services through our social prescribing, Home Help, gardening and voluntary car scheme
 - c. Support for community buildings including taking on the management of Clanfield Sports and Community Centre in East Hampshire and manage and invest in Leigh Park Community Centre in Havant
 - d. RASAC (START) providing counselling and support for victims of sexual abuse
8. Invest in marketing and communications capacity to better communicate our offer, position us with key partners and decision makers and measure and demonstrate the impact of our intervention and support

Our performance and achievements in 2020/21 were significantly impacted by the pandemic with many services including transport, mobility, community buildings suspended as a result of government restrictions. Resources were concentrated in areas of need and included;

- Mobilising 1,000 volunteers to continue to support vulnerable people at risk during the pandemic
- Securing over £540,000 on behalf of VCSE sector, to provide emergency response support through wellbeing workers, and our helpdesk supporting local authorities responding to referrals for assistance with food and medicines.
- Coordinating more than 200 organisations on local response across our 5 districts including 80 new mutual aid groups
- Helping more than 1,400 households including those isolating or with no social or family networks to support them

Some services including Training and START counselling were able to continue as we adapted to online delivery. We delivered 117 courses benefitting 1,103 learners.

Future Plans

We will continue to extend our influence and impact reviewing our operations in light of the pandemic and responding to new opportunities and needs in our communities. We will refresh and relaunch our membership strengthening our offer to members ensuring they have the platform to influence and engage partners and funders.

We will continue to support our partners in responding to the Coronavirus pandemic, mobilising volunteers and coordinating VCSE to provide emergency response and welfare support to the most vulnerable in our communities. We know this is likely to be for long term

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and we recognise the damage and impact this will have on our members and our sector. We will develop plans and prioritise activity to support recovery when it safe to do so. We will build on the momentum and upsurge in volunteering and appetite for social action which is now prevalent in our communities. Taking account of further plans and proposal from Government on the Levelling Up agenda and building on some of the key recommendations made by Danny Kruger MP in his Report on Levelling up our Communities, we will continue to modernise and adapt our offer to our VCSE members and the newly established mutual aid groups ensuring communities are empowered and supported to take action themselves and build longer term resilience

We will seek to continue to lead the Hampshire CVS network as the Single Contracted Organisation for Hampshire County Council and continue to work towards collaboration within CVS network seeking ways to reduce duplication and increase effectiveness. The relationship will be with Adults' Health and Care at HCC going forward.

We will continue to develop services at scale and seek to innovate and diversify our funding base to secure more income from commissioned and marketable services reducing our reliance on grants and diversifying our activities to attract new sources of income. We will continue to explore opportunities for enterprise, particularly around transport and mobility and as we increase our range our health, wellbeing and social prescribing activities.

We will increase our income from non-local authority sources and take advantage of influencing new funding opportunities with the health sector via CCGs with increasing recognition of the role that the voluntary and community services sector plays in supporting healthy communities particularly through social prescribing.

We will seek to develop new Enterprises including taking on management of community buildings and premises where appropriate and expanding our Home Help Services recognising the value and importance of supporting people in their own homes as the impact of coronavirus highlights vulnerabilities and demand.

We will build on our merger between RASAC and BRASACC to grow START reaching more clients and survivors across north and mid Hants, with plans to launch a residential counselling service to reduce the impact of waiting lists for 1-1 counselling.

Community transport services will continue as we enter the third year of our contract and we will further pursue opportunities to deliver SEN school contracts and to find cost effective ways of delivering Adult service and other contracts when Covid allows. We will also further develop our offer to support and help people access health appointments.

Directors are committed to reviewing our strategy building on our success of combining services and infrastructure support to create a multi-faceted organisation which can lead and champion the sector with innovative thinking, ideas and application being key to our future proposals and plans.

Financial Review.

Despite a challenging trading environment, revenues remained strong as we were able to divert resources to support the pandemic response and secure additional revenues as a result. We had total income of £3.356m in 202/21, compared to £2.462m in 19/20. The growth was in large part due to the merger and transfer of funds from Community First New Forest which together with new funding secured, resulted in an operating surplus of £275k. Investments also regained ground on the prior year increasing in value by more than £23k.

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The Charity has a defined salary pension scheme with Hampshire County Council. The adjustment in the actuarial valuation on our defined salary pension scheme resulted in a gain of £183k compared to a loss of (£105k) in the prior year a shift of £287k in a single year.

An agreement is now in place to consolidate scheme members following mergers with Winchester Area Community Action (WACA), Community Action Fareham (CAF) and Community First New Forest (CFNF). Whilst closed to new members we hold a deferred pension fund liability of £1,071,000 at 31 March 2021, increasing from £955,000 in the prior year as a result of our merger with CFNF and the transfer of £245k pension liability.

The liability arising from obligations to this scheme has been reflected in the Charity's balance sheet as at 31 March 2021. The proportion of the deficit relating to former WACA employees is underwritten by a guarantee from Winchester City Council of approximately £427,000. The same applies to CAF which is underwritten by a guarantee from Fareham Borough Council with current value of £148,000. The company continues to work with HCC to address and work towards reducing the pension deficit. Progress has been made on this and full details of the financial risk and the steps taken to mitigate this are explained in Note 18 to the accounts. As a result the material liability is significantly less than the deferred pension liability.

A full analysis of the pension liability including deferred liability, guaranteed underwriting, top up payments and charges and residual material liability is set out in note 18 to the accounts.

The charity will continue to take appropriate and considered steps to diversify its funding base, to manage costs and identify new sources of income and support and to build on its strengths and track record in public service delivery, including effective support for the local voluntary and community sectors. We continue to operate against a backdrop of further reductions and challenges in public sector funding impacting local authority budgets for both grants and commissioned services. Emergency funding for Covid helped offset some of the lost income and additional costs but is recognised as being short term. There is a continuing shift from grant funded to commissioned services opening up new business opportunities for the charity which we continue to explore and take advantage of where we can develop new services taking an asset and strengths based approach. around health & wellbeing which will be in high demand post Covid.

During the year we had 120 staff (by head count). Nearly 40% of staff were furloughed for part of the year but we sought to redeploy staff in Covid response roles where possible and whilst many of our offices and operating sites were closed during the year, we were able to adapt quickly to a remote working model sustaining those that could be delivered online and allowing a rapid restart when restrictions allowed. Many funders allowed flexibility and in some cases suspended funding or granted additional funds to help during Covid. Our Board remains 'business focused' and with the support of the CEO and experienced Finance Director has provided appropriate fiscal management during the year.

Funding

During the year, we were successful with a number of funding bids and tenders with local authorities, Community Lottery, Office of Police & Crime Commissioner and Clinical Commissioning Group and we were also successful in maintaining Community Development and Transport funding from Hampshire CC and district partners.

Specific and principal funding included;

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- Infrastructure grant from Hampshire County Council through investment in an agreed development plan and a single contracted organisation to deliver infrastructure support for VCSE and encourage volunteering and grants from Havant Borough Council, East Hampshire District Council and New Forest District Council.
- Contract income from Winchester City Council for a commissioned service to support Voluntary and Community Sector organisations in Winchester District.
- Grant funding from Hampshire, Southampton and IOW partnership of CCGs to support forums and co-ordinate the Social Prescribing Network with some funds being used to support Covid response
- Hampshire County Council contracts supported by the Boroughs and Districts, for Community Transport, Dial-A-Ride, Call and Go and SEN school transport contracts. Further income was generated from fares.
- Ministry of Justice grant (administered via the Office of Police & Crime Commissioner), HCC and NHS grant for RASAC (now START) with additional funds granted to help us respond to the challenges faced in providing a remote service during the pandemic
- Hampshire Learns funding (HCC) for training with a significant shift to online learning which boosted numbers
- Grants from Winchester City Council, Fareham Borough Council & Chichester District Council and hire income from customers for Shopmobility
- The National Community Lottery Fund for Positive Pathways in Havant and to support expansion of Time Banking in Woolmer Forest and Wellbeing Workers in Havant, Fareham and New Forest.

Reserves

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

- Unrestricted reserves equivalent to up to 6 months of planned running costs or as determined by Charity Commission guidelines and Company Law.
- A designated reserve has been created to cover any unforeseen events, as well as the possibility that funding might not always be obtained. The calculation of this reserve takes into account
 - Six months support services' running costs
 - Outstanding rent commitments (up to break clause dates)
 - Outstanding lease and hire commitments to end of contract
 - Provision for legal costs
 - Provision for property dilapidations
- The Purpose of designating reserves is to
 - cover any loss on realisation of any fixed assets and any additional contractual liabilities
 - accumulate funds for specific purposes as determined by the Board of Trustees from time to time.
 - invest in innovative services which can be piloted and tested to better meet the needs of our beneficiaries including vulnerable people by the creation of the Community First Investment Fund. The aim of such enterprises and innovative services is to reduce the charity's dependence on public sector funding by finding more reliable sources of funding for its services.
- Restricted reserves are held to cover the extent that funds for restricted purposes have not been fully expended. No additional reserves will be established for restricted projects. This policy is principally to enable the Charity to continue operations whilst awaiting receipt of Grants many of which are paid in arrears. This enables the charity to pay contractual liabilities in the event that grants are discontinued or significantly

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reduced whilst services are realigned and to recover the potential loss on fixed asset investments in the event that funding is withdrawn or contracts ended prematurely.

- A Provision will be made maintained against general reserves to offset the Charity's obligation to fund any deficit on the Hampshire County Council pension fund scheme. This provision will be reviewed and if necessary revised annually in line with the Actuarial valuation.

At 31 March 2021 we have £1,039,410 in unrestricted reserves, before considering pension reserves of (£941,000). Of this £60,562 is designated to support the development of on-going activities (see note 15). A reserve of £350,000 has been created to cover any unforeseen events as well as the possibility that funding might not always be obtained and ensure continuity of our core function for at least 3 months. This has increased from £178,000 in the prior year following merger with CFNF. The Board has allocated £628,848 into a Community First Investment Fund to access new funding and income streams and pump prime innovative ideas for new services for our beneficiaries.

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

Managing Risk

A Risk Register has been established identifying the key risks and documenting actions taken to mitigate these which is reviewed regularly by Directors and the Senior Leadership Team. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

Our significant risks

We face on-going risk in terms of our funding and income which is predominantly from public sector sources and therefore subject to future cuts and threats to the overall public finance position as the pandemic continues and eventually comes to an end. Expenditure is under close scrutiny and local authority grants and commissioned services are being squeezed, resulting in less money at a time whilst demand for our services and requests for support from our members is increasing. We are reducing our reliance on core grants and diversifying our activities to attract new sources of income. We continue to explore opportunities to further increase scale, impact and generate revenues, through partnership working, collaboration and possible mergers and actively encourage our members to do likewise. We are also exploring opportunities for enterprise, particularly around transport, training and health & wellbeing services which will likely be much in demand after the pandemic including services for older or vulnerable people to enable them to continue to live healthy lives independently. As public sector funding continues to diminish more customer/beneficiaries may be asked to pay towards services but we are also seeking opportunities to maximise use of our assets and expertise to generate income which can be reinvested in essential community support and services. This will increase our income from non-public sector sources but will also enable us to take advantage of new funding opportunities with the health sector via CCGs and NHS with increasing recognition of the role the Voluntary and Community Sector plays in supporting healthy communities.

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

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We review our financial procedures annually to ensure that authorisation levels remain appropriate and robust.

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

- Transport; risk of road accidents and in helping frail and disabled passengers on and off vehicles and in hiring Mopeds under our Wheels to Work scheme
- Supported Volunteering; providing work experience and support for people with mental illness and other health conditions, including those with a history of substance misuse and ex-offenders, helping them rebuild their confidence and contribute to society.
- RASAC (now START); providing specialist support for highly vulnerable people who have suffered historical or recent sexual violence and abuse
- Young Carers; providing support for young people in looking after family members with long term conditions
- Home Helps; providing support for older and disabled people in their own homes
- Clanfield Sports Centre; helping people participate in sporting and leisure activities

The Coronavirus pandemic has impacted many of our services and heightened the risk and vulnerabilities across our communities and indeed within our own staff and volunteer workforce. We have put in place significant support for mental health & wellbeing which we see as long-term investment in supporting our staff and in ensuring our services can continue to be delivered safely. We have introduced a hybrid working policy to help those returning to the workplace. It appears likely that some restrictions and public health safeguards will continue to remain in place impacting delivery and patronage of our services.

We have invested further in our own internal H&S Manager providing advice and support across services. We continue to invest in staff training to ensure full compliance with health and safety and safe operating procedures. Procedures are in place and are reviewed regularly to protect our staff, volunteers and service users. Lessons learnt are shared openly with commissioners and partners and are used to amend procedures to provide a safe and enjoyable experience for service users, staff and volunteers.

Directors' responsibilities

Law applicable to charitable companies in England & Wales requires the directors to prepare the trustees report and financial statements for each financial year, which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year.

In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. They are also responsible

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for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

- There is no relevant audit information of which the company's auditors are unaware: and
- The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of the information.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

A combined directors and trustees report is being presented to meet company law requirements.

Approved by the Board and signed on its behalf by:



.....
Beverley Jones

Date: 18th March 2022

Chairman of Board of Directors

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITIES FIRST WESSEX FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of Communities First Wessex for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Statement of Cash Flows and the related notes, 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 (United Kingdom Generally Accepted Accounting Policies) including FRS102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 2021, and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We have 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the 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, 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, 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, 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

Opinion 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 Report of the Trustees.

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITIES FIRST WESSEX FOR THE YEAR ENDED 31 MARCH 2021

We have nothing to report in respect of the following matters where 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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

From discussion with management and those charged with governance information about the entity is documented to assess the activity within the organisation. We discuss management's assessment of risk in respect of irregularities, fraud and going concern.

Based on these discussions and our own assessments we determined that the key risk areas were income recognition in respect of cut off issues and management override concerning the size of the organisation.

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.

Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.

Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITIES FIRST WESSEX FOR THE YEAR ENDED 31 MARCH 2021

Use of our report

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



P Underwood (Senior Statutory Auditor)
For and on behalf of Morris Crocker Limited

Chartered Accountants
Statutory Auditors
Station House
North Street
Havant
Hampshire
PO9 1QU

Date: 22 March 2022

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

(Including Income and Expenditure Account)

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2021 £ | Total 2020 £ |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| INCOME | | | | | |
| Donations and legacies | 3 | 404,967 | 68,693 | 473,660 | 39,387 |
| Investment Income | | 1,420 | 66 | 1,486 | 1,260 |
| Trading Income | | | | | |
| Miscellaneous income | | 25,264 | - | 25,264 | 37,735 |
| Charitable activities | | | | | |
| Grants & contracts | 4 | 1,826,216 | 766,761 | 2,592,977 | 1,832,255 |
| Fare revenue | 4 | 84,595 | 58 | 84,653 | 235,802 |
| Rental income | 4 | 62,477 | 18,632 | 81,109 | 109,441 |
| Other income | 4 | 79,843 | 17,080 | 96,923 | 206,875 |
| | | | - | - | |
| TOTAL INCOME | | 2,484,782 | 871,290 | 3,356,072 | 2,462,755 |
| EXPENDITURE | | | | | |
| Fundraising | | - | - | - | - |
| Charitable activities | 7 | 2,004,364 | 855,428 | 2,859,792 | 2,572,713 |
| Exceptional item: | | | | | |
| Obligation to fund Community First New Forest pension liability expensed | 18 | 245,000 | - | 245,000 | - |
| TOTAL EXPENDITURE | | 2,249,364 | 855,428 | 3,104,792 | 2,572,713 |
| Net (losses)/gains on investments | 3 | 23,460 | - | 23,460 | (11,636) |
| NET INCOME (EXPENDITURE) BEFORE TRANSFERS | | 258,878 | 15,862 | 274,740 | (121,593) |
| TRANSFERS BETWEEN FUNDS | 14,15 | 6,329 | (6,329) | - | - |
| Actuarial/(losses)/gains on defined benefit pension funds | 18 | 183,000 | - | 183,000 | (105,000) |
| NET INCOME/(EXPENDITURE) FOR THE YEAR | | 448,207 | 9,533 | 457,740 | (226,593) |
| FUND BALANCES BROUGHT FORWARD | | (349,797) | 192,540 | (157,257) | 69,336 |
| FUND BALANCES CARRIED FORWARD | | 98,410 | 202,073 | 300,483 | (157,257) |

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities.

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

Company number: 02960439

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2021

| | Note | £ | 2021 £ | 2020 £ |
|--|------|------------------|------------------|------------------|
| FIXED ASSETS | | | | |
| Tangible assets | 9 | | 203,122 | 192,198 |
| Investments | 10 | | 141,285 | 117,825 |
| CURRENT ASSETS | | | | |
| Stocks | 11 | - | - | - |
| Debtors | 12 | 285,959 | 398,081 | |
| Cash at bank and in hand | | 1,670,357 | 375,807 | |
| | | <u>1,956,316</u> | <u>773,888</u> | |
| CREDITORS: amounts falling due within one year: | 13 | <u>(929,240)</u> | <u>(286,168)</u> | |
| NET CURRENT ASSETS | | | <u>1,027,076</u> | <u>487,720</u> |
| NET ASSETS EXCLUDING PENSION LIABILITY | | | 1,371,483 | 797,743 |
| Defined pension scheme liability | 18 | (1,071,000) | | (955,000) |
| NET ASSETS INCLUDING PENSION LIABILITY | | | <u>300,483</u> | <u>(157,257)</u> |
| FUNDS | | | | |
| UNRESTRICTED FUNDS | | | | |
| Designated funds | 15 | | 410,562 | 269,383 |
| General funds | 15 | | <u>(240,152)</u> | <u>(364,180)</u> |
| Unrestricted funds excluding pension liability | | | 170,410 | |
| Pension reserve | 15 | | <u>(72,000)</u> | <u>(255,000)</u> |
| Total unrestricted funds | | | <u>98,410</u> | <u>(349,797)</u> |
| RESTRICTED FUNDS | 14 | | 202,073 | 192,540 |
| TOTAL FUNDS | | | <u>300,483</u> | <u>(157,257)</u> |

The accounts have been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with FRS 102.

Approved by the trustees on 18th March 2022
and signed on their behalf by:



Beverley Jones
Chairperson



Trevor Lewis
Trustee

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

| | Note | 2021 | 2020 |
|---|-------------|------------------|-----------------|
| | | £ | £ |
| Cash (used in)/ provided by operating activities | 22 | 1,319,389 | (38,336) |
| Cash flows from investing activities | | | |
| Interest income | | 1,486 | 1,260 |
| Purchase of tangible fixed assets | | (32,075) | (19,259) |
| Sale of tangible fixed assets | | 5,750 | 319 |
| Cash provided by (used in) investing activities | | (24,839) | (17,680) |
| (decrease)/increase in cash and cash equivalents in the year | | 1,294,550 | (56,017) |
| Cash and cash equivalents at the beginning of the year | | 375,807 | 431,824 |
| Cash and cash equivalents at the end of the year | | 1,670,357 | 375,807 |

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1 STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with FRS 102, 'The reporting standard applicable in the UK and Republic of Ireland', in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice.

2 ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation and uncertainty in the preparation of the financial statements are as follows:

(a) Basis of accounting

Under an agreement with Community First New Forest (31 March 2020), Winchester Area Community Action (1 May 2015) and Community Action Fareham (1 April 2018), certain funds were donated to Communities First Wessex and activities combined. These combinations are in substance a gift and the excess of the fair value of the assets received or the liabilities assumed is recognised as exceptional income in the Statement of Financial Activities. Additionally, Communities First Wessex assumed an obligation to fund the Winchester Area Community Action and Community Action Fareham pension liabilities. These liabilities are recognised as a loss in the Statement of Financial Activities and is shown as an exceptional expense in the year of merger.

Communities First Wessex meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

(b) Income

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and it is probable that the economic benefits will flow to the charity and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations, legacies and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, when entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Investment income is included when receivable.
- Incoming resources from activities for generating funds, including those from a trading subsidiary, are accounted for when earned.
- Resources are deferred when, at the end of an accounting period, they have been received but the charity has yet to become unconditionally entitled to them.
- Income from the supply of services from contracts is recognised with the delivery of the contracted service. Contract income is recognised on the basis of the time spent in providing the service as a proportion of the total time to be spent to fulfil the contract. Where income is received in advance, the income is deferred until the service has been provided.

(c) Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. It includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise of the costs associated with attracting voluntary income and the costs of fundraising.
- Charitable expenditure comprises of those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and the costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

(d) Tangible Fixed assets

Fixed assets are stated in the balance sheet at cost less depreciation. Fixed assets are capitalised for ongoing use within the company, where the Depreciation is provided so as to write off the cost of the fixed assets, less their residual value, in equal annual instalments over the estimated useful

| | |
|----------------------------------|------------------------------|
| Plant and machinery | 25% reducing balance |
| Fixtures, fittings and equipment | 33% reducing balance |
| Land and Buildings | Over the period of the lease |

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

(e) **Fixed Asset Investments**

Fixed asset investments are included at market value at the balance sheet date. Realised gains and losses are calculated as the difference between sales proceeds and their market value at the start of their year or their subsequent cost and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

(f) **Stocks**

Stock is included at the lower of cost or net realisable value after due regard for obsolete and slow moving items.

(g) **Recognition of debtors**

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

(h) **Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand, deposits with banks and other short-term highly liquid investments and bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings or current liabilities.

(i) **Recognition of liabilities**

A liability arises as soon as there is a legal or constructive obligation committing the charity to the expenditure.

(j) **Unrestricted funds**

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

(k) **Restricted funds**

Restricted funds comprise funds granted or donated for specific purposes as laid down by the grantor or donor. Income generated from assets acquired from restricted funds is restricted in the same way as the original grant or donation. Expenditure which satisfies the restrictions is charged to the appropriate restricted fund together with a fair allocation of management and support costs.

(l) **Operating leases**

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

(m) **Deferred income**

Income is deferred where the charity is not yet entitled to the use of the resources. When the pre-conditions for use are met then the income is recognised

(n) **Pensions**

The charity participates in a defined contribution pension scheme. Contributions in respect of the company's defined contribution pension scheme are charged to the profit and loss account for the year in which they are payable to the scheme. Differences between contributions payable and contributions actually paid in the year are shown as either accruals or prepayments at the year end.

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

The deficit on the scheme, representing the shortfall on 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 is able to recover a surplus or has a legal or constructive obligation for the liability. A corresponding pension reserve is included within total unrestricted funds. A proportion of the deficit; that part relating specifically to the former employees of Winchester Area Community Action, is the subject of a guarantee from Winchester City Council. In addition,

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)**(o) Going Concern**

The trustees have prepared, reviewed and formally approved detailed trading and cash flow projections covering the period to 31 March 2022. On the basis of these projections they have assessed that CFW has adequate financial resources and the appropriate structures in place to manage its operational risks. In addition, the budgeting and forecasting process has taken account of the current economic and funding climate and its potential impact on our various sources of income and expenditure. Therefore, the Trustees are confident that there is a reasonable expectation that CFW has adequate resources and control mechanisms to continue in operational existence for the foreseeable future and, on this basis the Trustees believe, to the best of their belief and knowledge, that CFW remains a going concern for at least the period to March 2022 and, accordingly these financial statements have been prepared on the going concern basis.

3 NET INCOME/(EXPENDITURE)

Net (expenditure)/ income is stated after charging / (crediting):

| | 2021 £ | 2020 £ |
|--|-----------|-----------|
| Donations | (473,660) | (39,387) |
| Depreciation | 66,239 | 67,151 |
| Loss on sale of assets | 8,680 | 5,759 |
| Unrealised gain on fixed asset investments | 23,460 | - |
| Unrealised loss on fixed asset investments | - | (11,636) |
| Auditor's remuneration - audit | 7,000 | 7,000 |

Under the terms of the merger agreement with Community First New Forest effective 1 April 2020, the reserves of that organisation have been donated to Communities First Wessex and included in donations above. (£448,810)

4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

| | Transport services £ | Information & support £ | Core activity £ | Total 2021 £ | Total 2020 £ |
|---------------|----------------------------|-------------------------------|--------------------|--------------------|--------------------|
| Grants | 203,093 | 946,839 | 324,948 | 1,474,880 | 859,900 |
| Contracts | 1,087,893 | 30,204 | - | 1,118,097 | 972,356 |
| Fare income | 84,653 | - | - | 84,653 | 235,802 |
| Rental income | 12,560 | 65,772 | 2,777 | 81,109 | 109,441 |
| Other income | 30,873 | 66,041 | 9 | 96,923 | 206,875 |
| | <u>1,419,072</u> | <u>1,108,856</u> | <u>327,734</u> | <u>2,855,662</u> | <u>2,384,374</u> |

Included in Grants above are the following amounts received from:

| | 2021 £ | 2020 £ |
|------------------------|------------------|----------------|
| UK Government grants | 1,226,312 | 750,392 |
| Grants- other agencies | 248,568 | 109,508 |
| | <u>1,474,880</u> | <u>859,900</u> |

UK Government grants includes £187,410 (before deferral) received from the Ministry of Justice (OPCC) for support for victims of Rape and Sexual Abuse (2020 £58,950). Other grants includes £197,053 received from the BIG Lottery (2020 £80,401)

5 STAFF COSTS

| | 2021 £ | 2020 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 1,535,268 | 1,398,304 |
| Social security costs | 102,831 | 88,533 |
| Pension contributions | 72,525 | 91,163 |
| Redundancy costs | 25,899 | 2,312 |
| | <u>1,736,523</u> | <u>1,580,312</u> |

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

No employees received emoluments over £60,000 during the current or prior year.

No trustee received any remuneration including pensions. During this or the prior year no trustees were reimbursed expenses.

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows:

| | 2021 | 2020 |
|-----------------------------|------------|-----------|
| Provision of services | 95 | 89 |
| Management & administration | 10 | 8 |
| | <u>105</u> | <u>97</u> |

Key management personnel

| | 2021 £ | 2020 £ |
|--|----------------|----------------|
| Remuneration paid to key management personnel during the year (9), 2020(8) | <u>368,371</u> | <u>284,227</u> |

6 VOLUNTEERS

The charity relies on the invaluable contribution of unpaid volunteers who enable us to add value to our service providers. Our volunteers act as drivers for community transport and our voluntary car scheme, they assist with Shopmobility and health and Well being services and support the activities in our community buildings.

7 CHARITABLE ACTIVITIES

| | Transport services £ | Information & support £ | Core activity £ | Total 2021 £ | Total 2020 £ |
|---|----------------------------|-------------------------------|--------------------|--------------------|--------------------|
| COSTS DIRECTLY ALLOCATED TO ACTIVITIES | | | | | |
| Staff costs | 700,382 | 474,440 | 195,222 | 1,370,044 | 1,232,288 |
| Volunteer costs | 558 | 10,696 | 5 | 11,259 | 14,141 |
| Transport costs | 246,496 | 89 | - | 246,584 | 345,462 |
| Administration | 23,206 | 67,121 | 5,227 | 95,554 | 76,521 |
| Depreciation and loss on sale of assets | 59,973 | - | 14,945 | 74,918 | 72,820 |
| Other direct costs | 5,312 | 336,642 | 4,852 | 346,806 | 202,067 |
| | <u>1,035,927</u> | <u>888,987</u> | <u>220,250</u> | <u>2,145,165</u> | <u>1,943,299</u> |
| SUPPORT COSTS ALLOCATED | | | | | |
| Rent, rates & utilities | 73,157 | 79,332 | 10,997 | 163,486 | 141,576 |
| Staff costs | 127,582 | 102,042 | 97,855 | 327,479 | 287,025 |
| Administration | 43,908 | 35,118 | 19,134 | 98,160 | 72,205 |
| Provision for doubtful debts | - | - | 4,487 | 4,487 | 30,000 |
| Bank charges and interest | 1,614 | 1,978 | 91 | 3,683 | 5,063 |
| Governance Costs | 11,450 | 9,649 | 3,234 | 24,333 | 22,545 |
| Pension fund - current service cost | - | - | 66,000 | 66,000 | 51,000 |
| Pension fund - Interest cost | - | - | 27,000 | 27,000 | 20,000 |
| | <u>257,711</u> | <u>228,119</u> | <u>228,797</u> | <u>714,627</u> | <u>629,414</u> |
| | <u>1,293,638</u> | <u>1,117,106</u> | <u>449,048</u> | <u>2,859,792</u> | <u>2,572,713</u> |

All support costs have been allocated on the basis of actual costs incurred

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

| 8 | GOVERNANCE COSTS | 2021 £ | 2020 £ |
|---|---|---------------|---------------|
| | Legal and professional fees | 11,788 | 5,407 |
| | Audit, accountancy and actuarial fees | 12,545 | 11,140 |
| | Cost of AGM and incidental trustee meetings | - | 5,998 |
| | | <u>24,333</u> | <u>22,545</u> |

| 9 | TANGIBLE FIXED ASSETS | Land and Buildings £ | Plant and machinery including Motor Vehicles £ | Fixtures fittings and equipment £ | Total £ |
|---|------------------------|----------------------------|--|--|----------------|
| | Cost | | | | |
| | At 1 April 2020 | 14,696 | 379,350 | 110,222 | 504,268 |
| | Additions | 1,080 | 79,438 | 11,075 | 91,593 |
| | Disposals | - | (59,972) | - | (59,972) |
| | At 31 March 2021 | <u>15,776</u> | <u>398,816</u> | <u>121,297</u> | <u>535,889</u> |
| | Depreciation | | | | |
| | At 1 April 2020 | 6,610 | 236,480 | 68,980 | 312,070 |
| | Charge for the year | 4,025 | 46,706 | 15,508 | 66,239 |
| | Eliminated on disposal | - | (45,542) | - | (45,542) |
| | At 31 March 2021 | <u>10,635</u> | <u>237,644</u> | <u>84,488</u> | <u>332,767</u> |
| | Net book value | | | | |
| | At 31 March 2021 | <u>5,141</u> | <u>161,172</u> | <u>36,809</u> | <u>203,122</u> |
| | At 1 April 2020 | <u>8,086</u> | <u>142,870</u> | <u>41,242</u> | <u>192,198</u> |

| 10 | INVESTMENTS | Unlisted investments £ |
|----|--------------------------|---------------------------|
| | Cost or Valuation | |
| | At 1 April 2020 | 117,825 |
| | Additions | - |
| | Revaluation | 23,460 |
| | At 31 March 2021 | <u>141,285</u> |

| 11 | STOCKS | 2021 £ | 2020 £ |
|----|----------------|-----------|-----------|
| | Finished goods | - | - |

| 12 | DEBTORS | 2021 £ | 2020 £ |
|----|------------------------------|----------------|----------------|
| | Trade debtors | 183,326 | 266,802 |
| | Other debtors | 18,883 | 33,599 |
| | Prepayments & accrued income | 83,750 | 97,680 |
| | | <u>285,959</u> | <u>398,081</u> |

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

| 13 | CREDITORS: amounts falling due within one year | 2021 £ | 2020 £ |
|----|--|----------------|----------------|
| | Trade creditors | 72,619 | 40,978 |
| | Other taxation and social security | 82,634 | 65,229 |
| | Other creditors | 40,284 | 47,864 |
| | Accruals & deferred income | 733,703 | 132,097 |
| | | <u>929,240</u> | <u>286,168</u> |

Deferred income

Deferred income is grants received for future accounting periods

| | 2021 £ | 2020 £ |
|--|----------------|----------------|
| Brought forward | 102,382 | 101,519 |
| Amounts released to incoming resources | (50,831) | (86,491) |
| Amounts deferred in year | 598,914 | 87,354 |
| Amounts carried forward | <u>650,465</u> | <u>102,382</u> |

| 14 | RESTRICTED FUNDS | At 1 April 2020 £ | Incoming resources £ | Outgoing resources £ | Transfers between funds £ | At 31 March 2021 £ |
|----|--------------------------------------|-------------------------|----------------------------|----------------------------|------------------------------------|--------------------------|
| | Shopmobility Chichester | (18,399) | 24,086 | (25,747) | - | (20,060) |
| | Supporting families food grant | - | 150,000 | (150,000) | - | - |
| | DART | 4,262 | - | - | - | 4,262 |
| | Winchester Youth Collectorate | - | 550 | (550) | - | - |
| | Access Group | 2,770 | - | - | - | 2,770 |
| | Youth work | 24,314 | - | (19,588) | - | 4,726 |
| | Community First Delivers | - | 82,961 | (82,961) | - | 0 |
| | SBS | - | 15,501 | (21,938) | - | (6,437) |
| | Young Carers | - | 99,633 | (73,185) | - | 26,448 |
| | Social Prescribing Network | - | 16,645 | (18,177) | - | (1,531) |
| | Wheels to Work | - | 102,427 | (78,380) | - | 24,047 |
| | RASAC | 46,705 | 202,523 | (202,523) | - | 46,705 |
| | Positive pathways | - | 60,854 | (60,854) | - | - |
| | Shopmobility Winchester | 101,520 | 46,108 | (46,037) | - | 101,591 |
| | Shopmobility Winchester - asset fund | 25,039 | 1,204 | (2,135) | - | 24,108 |
| | Woolmer Timebanking | - | 35,328 | (35,328) | - | 0 |
| | Park Play | - | 19,720 | (19,890) | - | (170) |
| | Surgery linkworker | - | 13,500 | (17,886) | - | (4,386) |
| | CVS Network | - | 250 | (250) | - | - |
| | Community Development East Hampshire | 6,329 | - | - | (6,329) | - |
| | Total restricted funds | <u>192,540</u> | <u>871,290</u> | <u>(855,429)</u> | <u>(6,329)</u> | <u>202,073</u> |

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

Comparative for funds movement

| RESTRICTED FUNDS | At 1 April 2019 £ | Incoming resources £ | Outgoing resources £ | Transfers between funds £ | At 31 March 2020 £ |
|--------------------------------------|-------------------------|----------------------------|----------------------------|------------------------------------|--------------------------|
| Shopmobility Chichester | (13,908) | 32,024 | (36,515) | - | (18,399) |
| DART | 4,262 | - | - | - | 4,262 |
| Access Group | 2,770 | - | - | - | 2,770 |
| Youth work | 25,568 | 46,876 | (48,130) | - | 24,314 |
| RASAC | 43,400 | 117,279 | (113,974) | - | 46,705 |
| Positive pathways | - | 79,501 | (79,501) | - | - |
| Shopmobility Winchester | 95,604 | 56,423 | (50,507) | - | 101,520 |
| Shopmobility Winchester - asset fund | 28,626 | - | (3,587) | - | 25,039 |
| Building Better Opportunities ESF | - | 20,143 | (20,143) | - | - |
| Art Talk | 4,280 | 1,053 | (5,333) | - | - |
| Woolmer Timebanking | - | 2,900 | (2,900) | - | - |
| Park Play | - | 32,546 | (32,546) | - | - |
| Surgery linkworker | - | 5,597 | (5,597) | - | - |
| CVS Network | - | 6,894 | (6,894) | - | - |
| Community Development East Hampshire | - | - | - | 6,329 | 6,329 |
| Total restricted funds | 190,602 | 401,236 | (405,627) | 6,329 | 192,540 |

The source of each fund is different and they are received from various bodies including Winchester City Council, Hampshire County Council and The Big Lottery. The funds are restricted to the purposes as listed.

Wheels to work

Provision of a moped service for young people travelling to work

Youth Work/Winchester Youth Collective

Service based in East Hampshire and Winchester delivering support for young people

SMART (RASAC)

Counselling and help line services for victims of rape and sexual abuse.

Shopmobility

Hire out of Shopmobility vehicles such as wheel chairs and electric scooters in Havant, Chichester and Winchester areas

Community First Delivers

A Big Lottery funded project providing support during the COVID 19 pandemic for delivery of food and transport

Walking for Health

To promote exercise through organised walks

Positive Pathways

To support local residents who need assistance to volunteer in their community

SBS Leader development programme

Mentoring and training for community group leaders

Tea Talk and Tonks/Art talk

A social activity involving petanque/Art therapy group

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

14 RESTRICTED FUNDS (continued)

Woolmer Timebanking

A new Big Lottery funded timebanking project based in Woolmer , Hampshire

Park Play

A play Café based at Leigh Park Community Centre, Havant, Hampshire

Surgery Signposter Linkworker

To facilitate surgery based signposting

CVS Network

A ring fenced partnership fund to promote CVS activities across Hampshire

Community Development East Hampshire

To expand and enhance Community Development in East Hampshire

DART/Access Group

To provide disability awareness raising training and to provide easy access path trails

Young Carers

Providing support to young people who are carers for dependant relatives in the New Forest

Social prescribing network

Provision for support for the Social Prescribing network in South East Hampshire

15 UNRESTRICTED FUNDS

| | At 1 April 2020 £ | Incoming resources £ | Outgoing resources £ | Transfers between funds £ | At 31 March 2021 £ |
|--|-------------------------|----------------------------|----------------------------|------------------------------------|--------------------------|
| Designated funds | | | | | |
| Transport services Havant - asset fund | 21,930 | - | (5,382) | - | 16,548 |
| Transport Winchester - asset fund | 12,223 | - | (3,056) | - | 9,167 |
| Transport services East Hampshire - asset fund | 33,066 | - | (4,790) | - | 28,276 |
| Transport services New Forest - asset fund | - | 6,571 | - | - | 6,571 |
| | 67,219 | 6,571 | (13,228) | - | 60,562 |
| Other | | | | | |
| Required reserves policy | 178,000 | - | - | 172,000 | 350,000 |
| | 178,000 | - | - | 172,000 | 350,000 |
| Community First Investment Fund | 283,984 | 2,501,671 | (1,991,136) | (165,671) | 628,848 |
| General funds excluding exceptional item | 283,984 | 2,501,671 | (1,991,136) | (165,671) | 628,848 |
| Obligation to fund Winchester Area Community Action | | | | | |
| Community action Fareham pension liability | 15 (624,000) | | (245,000) | - | (869,000) |
| | (340,016) | 2,501,671 | (2,236,136) | (165,671) | (240,152) |
| Pension reserve (Deferred pension liability £1071,000 less WACA reserve £458,000, CAF reserve of £166,000 and CFNF reserve of £245,000 and costs of £130,000 included within support costs) | 15 (255,000) | 183,000 | - | - | (72,000) |
| Total unrestricted funds | (349,797) | 2,691,242 | (2,249,364) | 6,329 | 98,410 |

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

15 Comparative for funds movement

| UNRESTRICTED FUNDS | At 1 April 2019 £ | Incoming resources £ | Outgoing resources £ | Transfers between funds £ | At 31 March 2020 £ |
|--|-------------------------|----------------------------|----------------------------|------------------------------------|--------------------------|
| Designated funds | | | | | |
| Projects | | | | | |
| Transport services Havant - asset fund | 29,240 | - | (7,310) | - | 21,930 |
| Transport Winchester - asset fund | 16,297 | - | (4,074) | - | 12,223 |
| Transport services East Hampshire - asset fund | 39,452 | - | (6,386) | - | 33,066 |
| | 84,989 | - | (17,770) | - | 67,219 |
| Other | | | | | |
| Required reserves policy | 178,000 | - | - | - | 178,000 |
| | 178,000 | - | - | - | 178,000 |
| General funds | | | | | |
| Community First Investment Fund | 389,745 | 2,061,520 | (2,160,952) | (6,329) | 283,984 |
| Obligation to fund Winchester Area Community Action | | | | | |
| Community action Fareham pension liability | 15 (624,000) | - | - | - | (624,000) |
| | (234,255) | 2,061,520 | (2,160,952) | (6,329) | (340,016) |
| Pension reserve (Deferred pension liability £955,000 less WACA reserve £458,000 and CAF reserve of £166,000 and costs of £76,000 included within support costs | 15 - | - | - | - | - |
| | (150,000) | - | (105,000) | - | (255,000) |
| | 15 (121,266) | 2,061,520 | (2,283,722) | (6,329) | (349,797) |
| Total unrestricted funds | | | | | |
| Community First Investment Fund | | | | | |
| To support new initiatives and projects | | | | | |

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds £ | Restricted funds £ | TOTAL 2021 £ | TOTAL 2019 £ |
|----------------|----------------------------|--------------------------|--------------------|--------------------|
| Fixed assets | 320,168 | 24,239 | 344,407 | 310,023 |
| Current assets | 1,482,022 | 474,294 | 1,956,316 | 773,888 |
| Liabilities | (1,703,779) | (296,461) | (2,000,240) | (1,241,168) |
| | 98,411 | 202,072 | 300,483 | (157,257) |

17 DEFINED CONTRIBUTION PENSION SCHEME

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension commitment under this scheme for 2021 was £33,880 (2020: £29,876). There were fifty one members in the scheme at the year end (2020: forty-five).

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

18 DEFINED BENEFIT PENSION SCHEME

The company contributes to a defined benefits pension scheme run by Hampshire County Council providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension fund includes members from both Community First HEH and Winchester Area Community Action, (which combined on 1 May 2015) Community Action Fareham (which combined on 1 April 2018). In addition, on 1st April 2020, the company merged with Community First New Forest and the pension fund now includes members from that organisation.

The financial statements of CFNF at 31 March 2020 disclosed a pension fund deficit which had been derived from the pension scheme's actuarial report. The most recent full actuarial valuation of the employer's Local Government Pension Scheme funded benefits was at 31 March 2019, which has been updated to reflect conditions at the balance sheet date. At the date of the combination, the deferred pension liability was calculated by the actuary at £245,000. The inclusion of this liability in the accounts of Communities First Wessex resulted in this amount being expensed as an Exceptional item in the Statement of Financial Activities in the year ended 31 March 2021.

The deferred pension liability of £1,071,000 included in the Balance Sheet at 31 March 2021 is derived from the pension scheme's actuarial report for that year. This report also provided comparative figures at the date that the two organisations combined on 1 April 2020. The movement in the fund shown below for the previous year relates to the period since the entities combined.

Winchester City Council has guaranteed to underwrite any deficit arising from the pension fund valuation in respect of those members of the scheme previously employed by WACA. At 31 March 2021, this amounted to approximately £427,000. (At 31 March 2020 £478,000). Fareham Borough Council has guaranteed to underwrite any deficit arising from the pension fund valuation in respect of those members of the scheme previously employed by CAF. At 31 March 2021, this amounted to approximately £148,000, (at 31 March 2020 £166,000).

The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. As mentioned above, the most recent full valuation was at 31 March 2019, which has been updated to reflect conditions at the balance sheet date. The assumptions that have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rate of increase in salaries and pensions. It was assumed by the actuaries that salary increases would average 3.7% per year and that the present and future pensions would increase at the rate of 2.7% per year.

The HCC Pension liability shown in the Accounts is based on the last HCC Pension Fund (the scheme) valuation dated 31st March 2019 and would have been the sum payable to the scheme had Community First exited the scheme at that date.

The scheme has a top-up payments arrangement in place to which scheme members, including Community First, contribute to ensure that the scheme becomes fully funded, without any need to incur exit liabilities, at the end of a 22 year period as specified by the HCC actuaries.

However, should Community First exit the scheme e.g. when the last active member leaves, before the end of the 22 year period, there would be a residual exit liability, the scale of which would depend on when the event occurs and the extent to which the top-up arrangements have reduced the outstanding exit liabilities

Liabilities outstanding on exit are termed 'orphan liabilities'. HCC has recognised that many organisations would not be able to afford substantial exit payments, which could impact on an organisation's ability to continue, resulting in the loss of valuable community services.

Consequently, HCC has changed the basis on which investments are made using these organisations' funds, in future managing their investments in the same way as funds are managed for HCC and other large organisations in the scheme. The impact of this change, based on an exit as at 31 March 2016, would be to reduce the total notional exit liability of Community First from £1,071,000 to £375,000, which becomes the material liability of the organisation.

The pension charge for the year was £37,953 (2020 £61,287), which includes £0 (2020 £38,700) deficiency contributions to close the funding gap over a period of 25 years.

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)

The defined benefit scheme is closed to new members and so under the projected unit method the current service cost would be expected to increase over time as members of the scheme approach retirement.

| | 2021 | 2020 |
|--|--------------------|------------------|
| | £ | £ |
| <i>Value of scheme assets and liabilities</i> | | |
| Fair value of assets | 3,892,000 | 2,567,000 |
| Present value of fund liabilities | (4,963,000) | (3,522,000) |
| Pension scheme deficit | <u>(1,071,000)</u> | <u>(955,000)</u> |
| <i>Movements in year</i> | | |
| Service cost | (66,000) | (51,000) |
| Interest cost | <u>(27,000)</u> | <u>(20,000)</u> |
| | (93,000) | (71,000) |
| Contributions | 39,000 | 61,000 |
| Actuarial (losses)/gains on assets and liabilities | <u>183,000</u> | <u>(105,000)</u> |
| Movements in the year | 129,000 | (115,000) |
| Pension scheme deficit at 1 April | | |
| - WACA | (477,500) | (420,000) |
| - CAF | (165,988) | (146,000) |
| - CFHEH | <u>(311,512)</u> | <u>(274,000)</u> |
| | (955,000) | (840,000) |
| Acquisition of pension fund deficit from CFNF | - (245,000) | - - |
| Pension scheme deficit at 31 March | <u>(1,071,000)</u> | <u>(955,000)</u> |

19 RELATED PARTIES

No other related party transactions have occurred other than those noted in the accounts.

20 CONTROLLING PARTY

The ultimate controlling party of the entity is deemed to be the Board of Trustees.

21 OPERATING LEASE COMMITMENTS

As at 31 March 2021 the charity had future minimum lease payments under non-cancellable operating leases as follows;

Operating leases which expire:

| | Land and buildings | | Other | |
|--------------------|--------------------|---------------|---------------|---------------|
| | 2021 | 2020 | 2021 | 2020 |
| Within 1 year | 30,732 | 36,509 | 19,800 | 21,840 |
| Within 2 - 5 years | - | - | 56,100 | 75,900 |
| | <u>30,732</u> | <u>36,509</u> | <u>75,900</u> | <u>97,740</u> |

Within the Statement of Financial Activities are expenses totalling £103,971 relating to operating leases (2020 £99,375)

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)**22 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES**

| | 2021 | 2020 |
|--|------------------|-----------------|
| | £ | £ |
| Net movement in funds | 457,740 | (226,593) |
| Add back depreciation charge | 66,239 | 67,151 |
| Add loss on disposal of fixed assets | 8,680 | 5,759 |
| Tangible Fixed Assets acquired from CFNF | (59,520) | - |
| Pension fund liability acquired from CFNF | 245,000 | - |
| Gain/ (Loss) on investments | (23,460) | 11,636 |
| Deduct interest income shown in investing activities | (1,486) | (1,260) |
| Decrease /(Increase) in debtors | 112,124 | (39,919) |
| Increase/(decrease) in creditors | 643,072 | 29,891 |
| Movement in pension fund | (129,000) | 115,000 |
| Decrease in stock | - | - |
| Net cash used in operating activities | 1,319,389 | (38,336) |

COMMUNITIES FIRST WESSEX

(Company limited by guarantee and not having a share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021 (continued)**23 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES****STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2020**

(Including Income and Expenditure Account)

| | Note | Unrestricted funds £ | Restricted funds £ | Total 2020 £ |
|---|-------|----------------------------|--------------------------|--------------------|
| INCOME | | | | |
| Donations and legacies | 3 | 26,175 | 13,212 | 39,387 |
| Investment Income | | 1,260 | - | 1,260 |
| Trading Income | | | | |
| Miscellaneous income | | 37,735 | - | 37,735 |
| Charitable activities | | | | |
| Grants & contracts | 4 | 1,503,541 | 328,714 | 1,832,255 |
| Fare revenue | 4 | 235,802 | - | 235,802 |
| Rental income | 4 | 96,893 | 12,548 | 109,441 |
| Other income | 4 | 160,113 | 46,762 | 206,875 |
| TOTAL INCOME | | 2,061,519 | 401,236 | 2,462,755 |
| EXPENDITURE | | | | |
| Fundraising | | - | - | - |
| Charitable activities | 6 | 2,167,086 | 405,627 | 2,572,713 |
| Exceptional item: | | | | |
| Obligation to fund Community Action Fareham pension liability expensed | 18 | - | - | - |
| TOTAL EXPENDITURE | | 2,167,086 | 405,627 | 2,572,713 |
| Net (losses)/gains on investments | 3 | (11,636) | - | (11,636) |
| NET INCOME (EXPENDITURE) BEFORE TRANSFERS | | (117,202) | (4,391) | (121,593) |
| TRANSFERS BETWEEN FUNDS | 14,15 | (6,329) | 6,329 | - |
| Actuarial(losses)/gains on defined benefit pension funds | 18 | (105,000) | - | (105,000) |
| NET INCOME/(EXPENDITURE) FOR THE YEAR | | (228,531) | 1,938 | (226,593) |
| FUND BALANCES BROUGHT FORWARD | | (121,266) | 190,602 | 69,336 |
| FUND BALANCES CARRIED FORWARD | | (349,797) | 192,540 | (157,257) |

