



Sussex Rural Community Council

(Limited by Guarantee)

Company number 02907172

Charity number 1035401

Report and Financial Statements

for the year ended 31st March 2025

TC Group
One Bell Lane, Lewes
East Sussex BN7 1JU

Sussex Rural Community Council
(Limited by Guarantee)

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Trustees' Report for year to 31st March 2025

1. Introduction

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of 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).

2. Charitable objects

The charity's objects are to promote any charitable purposes for the benefit of the community of the counties of East and West Sussex; in particular to promote and organise partnership working to achieve the advancement of education, the protection of health, relief of poverty, distress and sickness, by bringing together representatives of the statutory authorities, voluntary organisations and other bodies and any interested persons. We set out our strategic aims and activities in more detail later in this report.

3. Structure, governance and management

Legal and administrative details

Sussex Rural Community Council (SRCC) is a company limited by guarantee and registered in England and Wales, company number 02907172, incorporated under the Companies Acts. SRCC is a registered charity number 1035401.

The governing body is the Board of Trustees. The governing document is the Articles of Association.

Operating Name

Sussex Rural Community Council has operated for many years under the operating name "Action in rural Sussex" (AirS), which will be used in this Trustees' Report as the identity by which the charity is most commonly known.

Directors and Trustees

The directors of AirS are also its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees who served during the year and since the year end have been:

William Anderson Chair
Colin Brown
Owen Ingram
John Moore-Bick
Kristin Sjovorr
Chris Hobbs (Appointed 8th August 2024)

Chief Executive Officer; day to day management

Tom Warder, Interim Chief Executive Officer (until 30th September 2024)
Maryanne Matthews Chief Executive Officer (Appointed 1st October 2024)

Auditors

TC Group, One Bell Lane, Lewes, East Sussex, BN7 1JU

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Bankers

CAF Bank Limited, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

Barclays Bank plc, The Old Bank, High Street, Lewes, East Sussex BN7 2JP

Nationwide Building Society, Kings Park Road, Moulton Park, Northampton NN3 6NW

Shawbrook Bank Ltd, Lutea House, Warley Hill Business Park, Brentwood, Essex CM13 3BE

Investment Managers

CCLA Ethical Investment, One Angel Lane, London EC4R 3AB

Registered office and operational address

16 Market Street, Lewes, East Sussex BN7 2NB (Until 31st March 2025)

47 Western Road, Lewes, East Sussex, BN7 1RL (From 1st April 2025)

4. Appointment and Recruitment of Trustees

The trustees are elected by the members of the charity at the Annual General Meeting (AGM). Any remaining vacancies not filled at the AGM may be filled by co-option on the initiative of the trustees.

New trustees are briefed on their legal obligations under charity and company law, the committee and decision-making processes, the business plan and recent financial performance of the charity.

5. Trustees and their responsibilities

The trustees are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 Charity Statement of Recommended Practice.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 accounts comply with current statutory requirements and with the requirements of the governing document.

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6. Public Benefit

The Trustees confirm that they have complied with their duty under section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

AirS exists to promote resilient, sustainable and inclusive rural communities across East and West Sussex. The charity delivers public benefit by:

- supporting community groups, parish councils and local volunteers to strengthen local services, assets and participation;
- reducing the incidence and impact of rural disadvantage, including poverty, isolation and barriers to essential services;
- enabling community-led initiatives that enhance wellbeing and local environmental quality;
- informing and influencing public policy so that the needs of rural communities are better understood and addressed; and
- working collaboratively to ensure that local people have a voice in shaping decisions that affect their lives.

The activities and outcomes described in this report demonstrate how our charitable purposes are carried out for the public benefit across the region.

7. Principal Risks and Uncertainties

The Trustees maintain a risk register that is reviewed regularly by the Board. The key strategic risks facing the charity during the year, and the measures in place to mitigate them, include:

a. Financial Sustainability

Reductions in statutory funding and uncertainty in multi-year grants pose an ongoing risk.

Mitigation: Full-cost-recovery budgeting, diversification of income streams, active contract management, and maintaining appropriate reserves.

b. Capacity and Workforce Stability

Recruitment and retention challenges within the voluntary sector may affect delivery capability.

Mitigation: Strengthened staff support, investment in workspace improvements, and strategic workforce planning.

c. Operational and Compliance Risks

Changes in regulatory requirements, data protection, safeguarding and health-and-safety obligations could impact the charity's operations.

Mitigation: Policy review, staff training, and internal controls overseen by senior management.

d. External Environment

Inflation, the cost-of-living crisis and pressures on local communities affect both service demand and project viability.

Mitigation: Close collaboration with local authorities and partners, scenario planning, and flexible project design.

e. Strategic Positioning

Failure to adapt to emerging rural priorities, environmental challenges or policy shifts could reduce impact.

Mitigation: Ongoing strategic review, engagement with ACRE, DEFRA and local networks, and investment in business development.

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The Trustees consider that the charity has appropriate systems of internal control and risk management in place to safeguard its long-term sustainability.

8. Financial Review

Funding

AirS draws funding from a wide range of sources, with statutory sector income remaining the largest component. The Trustees express their gratitude to all funders, with particular thanks to:

District Councils in East and West Sussex supporting our housing services; East Sussex County Council for funding the Making It Happen programme, delivered in partnership with Sussex Community Development Association, Hastings Voluntary Action, Rother Voluntary Action and 3VA; The National Lottery for supporting the Lost Woods consortium alongside The Woodland Trust, Sussex Wildlife Trust and the Small Woodland Association, and DEFRA, via our national body ACRE (Action with Communities in Rural England), for its ongoing annual grant and Rural Housing Enabler funding.

Inflation and increases in energy, food and construction costs have continued to impact both our projects and the communities we serve. AirS continues to work closely with funders, partners and local authorities to ensure services remain responsive to social, economic, environmental and political pressures.

Restricted Funds

The detail of the restricted fund activity is set out in Note 16 of the financial statements. Restricted funds at the year end amounted to £39,097.

Unrestricted Funds

The total unrestricted funds are set out in Note 15 of the financial statements amounted to £1,536,813. Of this total the Trustees have designated that £650,000 is held for specific purposes.

Reserves policy

The Board of Trustees maintains a reserves policy designed to:

- meet ongoing staffing commitments;
- ensure organisational continuity;
- provide working capital and manage contingent liabilities;
- support strategic investment and development.

Free reserves are held primarily to mitigate against unforeseen reductions in activity or funding. This is managed through full-cost-recovery budgeting, prudent forecasting and contract negotiation, and careful treasury management. Any additional free reserves not required under the policy may be used to further the charity's aims and meet contractual obligations.

The Trustees confirm that restricted funds have sufficient assets to meet their obligations, or that appropriate arrangements are in place with funders. The reserves policy is reviewed annually in light of changes to the charity's funding profile and strategic priorities

Review of the results for the Year to 31st March 2025

The financial statements for the year to 31st March 2025 show a deficit of £20,606 (2024 : surplus £9,473) on income of £542,600 (2024 : £479,135).

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9. Strategic Statements and Operational Highlights

In spring 2024, AirS developed a concise strategic framework to support the recruitment of the Chief Executive Officer and to clarify long-term direction

Mission

- A. To reduce the incidence and impact of disadvantage and poverty in rural areas.
- B. To increase the capacity of rural communities to manage change for the benefit of all residents.
- C. To inform and amplify the voice of rural communities in public policy and discourse.

Vision

- A. That every parish in Sussex benefits from community-led action and ownership.
- B. That local authorities actively support the empowerment of community projects.
- C. That rural stakeholders recognise the social, economic and environmental value of community participation.

Values

- Respect for people and places
- Belief in our purpose
- Love for land and nature
- Trust in community
- Commitment to collaboration

Statement of Purpose

Since 1931, AirS has sought to demonstrate that community-led change is a powerful driver of resilient, balanced and sustainable rural life. Our purpose is to support communities to achieve local ambitions and improve the places in which they live and work. We support community-led change to build resilience in rural Sussex. We believe in the potential for local action to meet local needs and aspirations. We celebrate the benefits of community participation and decision making.

Strategic Directions

Guided by ACRE and DEFRA priorities, AirS has developed five strategic directions:

- A. Leading on community asset development and promoting community ownership.
- B. Sustaining community networks as the foundation of rural development.
- C. Supporting a just transition to a greener society.
- D. Advancing community-led approaches to nature recovery and biodiversity.
- E. Celebrating rural life and championing the unique needs of rural communities.

Following this strategic work, Maryanne Matthews was appointed Chief Executive Officer in October 2024.

Recognising the limitations of the small Market Street office, Maryanne led the move to a larger, more accessible office on Western Road, Lewes. The move was made possible by proceeds from the sale of our previous Lewes historic office on School Hill in 2018. The new premises provide much improved workspace, meeting areas, accessibility and visibility for the organisation. Maryanne Matthews decided to step down as Chief Executive Officer of Action in rural Sussex, just outside the scope of this statement, on the 23rd of May 2025. We wish her well in the future. Interim arrangements have been made with Tom Warder acting as CEO in his role as Director of Rural Community Services.

The work of AirS has continued with purpose and commitment. From April 2024 to March 2025, we delivered a range of programmes supporting rural communities and focused on three main areas. The Community Housing Service helped local groups, especially Community Land Trusts, create affordable homes. The Community Buildings Service provided advice, training, grants, and events to strengthen community buildings and networks. The Community Projects Service included 'Lost Woods', which encouraged people to connect with local woodlands, and

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‘Making it Happen’, which supported residents to develop their own community projects. Across all programmes, our work aimed to build skills, increase participation, and strengthen the social, cultural, and environmental life of these Sussex communities.

Community Housing Service

The Sussex Community Housing Hub continued to support a wide range of community led housing groups across the county, helping local people shape and deliver affordable homes that meet the needs of their own communities. A key part of this work involves supporting Community Land Trusts (CLTs). CLTs are non-profit, community-run organisations that develop homes and other assets for local people, ensuring housing remains genuinely affordable.

The Arundel CLT project has made strong progress this year, with all 27 affordable homes now moving ahead on site as part of the wider Ford Road development. In Herstmonceux, the CLT secured development finance for its plan to build 17 homes for local people and has brought a Housing Association partner on board to help deliver the scheme.

Marsham CLT also took important steps forward, securing £110,000 in pre-development funding to advance plans for new affordable homes serving the parishes of Pett, Guestling and Fairlight. The Hub has continued to work closely with social investors Resonance, whose support has helped Sussex CLTs access early finance to move their projects forward.

Interest in community led housing continues to grow, with new CLTs now forming in Rye and Iden. To enhance the delivery of rural affordable housing, the Hub successfully recruited Louise Halpbern as the new Rural Housing Enabler, strengthening the team’s capacity to assist the towns and parishes across the county.

This year also saw the completion of Housing Needs Surveys in Plumpton, Beckley and Wivelsfield. All three surveys showed clear demand for more affordable homes and strong support for providing these locally.

A new definition of Community Led Development in the National Planning Policy Framework (NPPF) has brought welcome clarity and recognition to the sector. Despite ongoing market challenges, community groups across Sussex continue to make meaningful progress in creating the affordable homes their communities need.

Community Buildings Service

Our Community Buildings advice and information service continued to evolve throughout 2024/25, updating resources and guidance to reflect changing trustee responsibilities, legislation and funding priorities. We responded to more than 250 enquiries from 105 halls, supporting issues ranging from governance, fundraising and CIO conversion to health and safety, marketing, land matters and operational challenges. We assisted halls in securing grants for both minor equipment and major redevelopment projects.

Our training and networking programme delivered nine well-attended sessions for 110 trustees and managers on topics including trustee roles, PAT testing, governing documents, music licensing, decarbonisation, community cafés, fundraising, risk mitigation and effective engagement. Our online forum grew to 270 users—a 20% increase—with 150 discussion threads, demonstrating strong peer-to-peer support.

The 2025 Village Hall Conference at Ashington Community Centre brought together 80 halls for a day themed around Celebrating, Encouraging & Supporting Volunteers. Keynotes Louise Beaton OBE and David Clark reflected on the past and future of village halls, while workshops covered community engagement, volunteer recruitment, trustee responsibilities, licensing, fire safety, insurance and funding.

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Nationally, we contributed Sussex insights to the ACRE Network, shaping policy discussions including Martyn's Law and the needs of rural volunteer-run halls. Locally, we strengthened partnerships with authorities across Sussex and secured a Wealden District Council Community Grant for 2025–28.

We continued championing the social, environmental and economic value of community buildings and supported successful Platinum Jubilee Village Hall Fund applicants. Guided by the Sussex Community Buildings Advisory Group, we are preparing for Village Halls Week 2026 and developing a county-wide directory for launch in 2026. Subscribers rose to 162, with contact across 63% of Sussex halls. These activities have strengthened the management, resilience, and sustainability of village halls across Sussex.

Community Projects Service - Lost Woods Project

The past year has marked strong progress for the Lost Woods project as we approach the halfway point of our five-year programme funded by the National Lottery Heritage Fund. AirS leads on nine of the nineteen projects within the programme, focusing on engaging people—especially those from underserved communities—with their local woodlands. We are pleased to be exceeding our targets in more than half of our project areas.

Between April 2024 and March 2025, our Mobile Hub attended 18 community events, reaching over 800 people and increasing awareness of the importance of ancient woodlands and the opportunities available through Lost Woods. Alongside this, we worked to ensure people felt supported and inspired to connect with nature and each other. We ran six networking events and four training sessions, including hands-on activities such as searching for dormouse-nibbled nuts, and welcomed adults with learning disabilities from Burnside Disability Day Centre to our Community Get Together.

Our three Woods on Prescription courses in Haywards Heath, Burgess Hill and Small Dole supported people experiencing physical or mental health challenges, isolation and bereavement. Based on the NHS Five Ways to Wellbeing, these courses improved mobility, wellbeing and confidence, and were described by participants as “life changing.”

We also supported inclusive conservation volunteering through 17 Conservation for All sessions, involving adults and young people with learning disabilities and people moving on from homelessness. Twelve wildlife surveys and guided walks, supported by our Wildlife Champions, helped engage more people in nature and provided valuable ecological information. In addition, we assisted 11 local conservation, wildlife and sustainability groups to engage their communities and helped three new groups to form and begin delivering activities.

Community Projects Service - Making it Happen

During the year under review, Action in Rural Sussex (AirS) continued its role as the Wealden delivery partner for Making it Happen (MiH), an Asset-Based Community Development (ABCD) programme commissioned by East Sussex County Council. The project ran from 2019 and came to a close in March 2025. AirS worked in Uckfield, Hailsham, Crowborough and Polegate, helping local people build confidence, form connections and develop community-led ideas.

In this final year, our Community Development Workers supported residents to spot strengths in their neighbourhoods, bring people together and get small projects off the ground. Groups across the four towns received practical help, advice and small grants, which contributed to stronger local networks and increased community activity.

Alongside this, the AirS MiH team contributed to the programme's evaluation and learning work by analysing feedback, preparing updates, and helping run workshops that brought partners together to share experiences.

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The team also provided ABCD training for AirS staff and worked with Wealden District Council as they explored using more community-focused approaches in future planning.

Making it Happen worked well because it focused on people rather than targets. Flexible support, trust and peer learning helped residents gain confidence, develop ideas and take action in ways that suited their communities. With the project now completed, AirS continues to look for opportunities to build on this way of working and support more local communities across rural Sussex.

Over the year, CLTs made strong progress, with projects on site, securing funding, and responding to local housing needs to provide lasting affordable homes. Village halls strengthened governance, increased volunteer engagement, and enhanced their social and environmental impact through advice, training, events and grants. Lost Woods successfully engaged hundreds of people, encouraged volunteering, improved physical and mental health, and increased support for woodland conservation. Making it Happen empowered residents in Wealden to gain confidence, develop local initiatives, and build stronger community networks. Collectively, these programmes demonstrate AirS's ongoing impact in building resilient rural communities.

10. Small Company Exemptions

This report is prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.

11. Disclosure of Information to Auditors

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

Approved by the Board of Trustees on 17th December 2025 and signed on their behalf by:



William Anderson, Chair

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Independent Auditors' Report to the Members

Opinion

We have audited the financial statements of Sussex Rural Community Council (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, 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 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 accounts* 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 accounts 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 trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a

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material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the company's operations, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the group has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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Use of our report

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

TC Group

David Martin FCA (Senior Statutory Auditor)

for and on behalf of TC Group

Statutory Auditor

19 December 2025

One Bell Lane

Lewes

East Sussex BN7 1JU

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Statement of Financial Activities (including Income and Expenditure Account) For the year ended 31 March 2025

| | Notes | Unrestricted funds £ | Restricted funds £ | 2025 Total £ | 2024 Total £ |
|---|---------|----------------------------|--------------------------|-------------------------|-------------------------|
| Income and endowments from: | 2 | | | | |
| Donations and legacies | Page 15 | 48,226 | - | 48,226 | 48,749 |
| Charitable activities: | | | | | |
| Operational programmes | Page 15 | 280,866 | 210,779 | 491,645 | 385,048 |
| Investments | 3 | <u>14,001</u> | <u>-</u> | <u>14,001</u> | <u>45,338</u> |
| Total | | <u><u>343,093</u></u> | <u><u>210,779</u></u> | <u><u>553,872</u></u> | <u><u>479,135</u></u> |
| Expenditure on charitable activities: | | | | | |
| Operational programmes | Page 16 | <u>353,126</u> | <u>210,080</u> | <u>563,206</u> | <u>469,662</u> |
| Net income (expenditure) before other recognised gains/ (losses) | 4 | (10,033) | 699 | (9,334) | 9,473 |
| Other recognised gains and losses: | | | | | |
| Valuation gains/ (losses) | 19 | (11,271) | - | (11,271) | - |
| Net movement in funds | | <u><u>(21,304)</u></u> | <u><u>699</u></u> | <u><u>(20,605)</u></u> | <u><u>9,473</u></u> |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | <u>1,558,117</u> | <u>38,398</u> | <u>1,596,515</u> | <u>1,587,402</u> |
| Total funds carried forward | 15,16 | <u><u>1,536,813</u></u> | <u><u>39,097</u></u> | <u><u>1,575,910</u></u> | <u><u>1,596,515</u></u> |

The notes on pages 20 to 30 form an integral part of these financial statements.

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derives from continuing activities.

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Year ended 31 March 2025

| | 2025 | 2024 |
|--|----------------|----------------|
| | £ | £ |
| Income from donations and legacies | | |
| Grants | | |
| Action with Communities in Rural England (ACRE) | 47,395 | 47,395 |
| Donations | | |
| Donations | <u>831</u> | <u>1,354</u> |
| | <u>48,226</u> | <u>48,749</u> |
| Income from Charitable Activities | | |
| Income from operational programmes | | |
| Housing Hub Fees | 174,773 | 124,840 |
| Village Hall consultancy/subscription | 24,751 | 27,892 |
| Sussex Community Development Assoc. | 81,342 | 77,635 |
| Neighbourhood Planning | <u>-</u> | <u>2,343</u> |
| | <u>280,866</u> | <u>232,710</u> |
| Project specific funding | | |
| Grants/Donations | | |
| Local & Regional Government | 6,715 | 7,176 |
| Rural Housing Enabling | 62,389 | 35,670 |
| Hope Keith Trust | 40,347 | |
| Lost Woods Grants | <u>101,328</u> | <u>109,492</u> |
| | <u>210,779</u> | <u>152,338</u> |
| Total Income from operational programmes | <u>491,645</u> | <u>385,048</u> |
| Total Income from donations and charitable activities | <u>539,871</u> | <u>433,797</u> |

Sussex Rural Community Council

(Limited by Guarantee)

Year ended 31 March 2025

| | 2025 £ | 2024 £ |
|---|-----------------|-----------------|
| Expenditure on charitable activities | | |
| Operational programmes | | |
| Information technology | 4,999 | 2,708 |
| Event costs | 1,296 | 1,346 |
| Print post stationery | 5,400 | 26 |
| Small equipment | 104 | 1,817 |
| Travel, motor and meetings | 4,258 | 2,858 |
| Other costs | 760 | 59 |
| Salaries, social security and pensions | 141,695 | 110,969 |
| Staff recruitment, training and support | 845 | 2,269 |
| Share of Support Costs | <u>50,723</u> | <u>38,134</u> |
| | <u>210,080</u> | <u>160,186</u> |
| Support Costs | | |
| Rent | 8,020 | 7,936 |
| Power and light | 1,268 | 761 |
| Communications | 4,168 | 5,545 |
| Insurance | 2,405 | 2,033 |
| Repairs and maintenance | 605 | 1,840 |
| Depreciation | 2,607 | 217 |
| Salaries, social security and pensions | 290,642 | 269,317 |
| Other pension costs | 5,029 | - |
| Staff recruitment, training and support | 12,755 | 3,232 |
| Information technology | 12,356 | 6,776 |
| Advertising and marketing | - | 883 |
| Membership fees | 5,273 | 7,449 |
| Travel, motor and meetings | 14,904 | 6,913 |
| Bank Charges | 97 | 65 |
| Legal and Professional | 35,340 | 21,935 |
| Print post stationery | 1,458 | 6,675 |
| Sundries | 1,422 | 833 |
| Less: Expenditure on operational programmes | <u>(50,723)</u> | <u>(38,134)</u> |
| | <u>347,626</u> | <u>304,276</u> |
| Governance Costs | | |
| Audit Fees | <u>5,500</u> | <u>5,200</u> |
| | <u>563,206</u> | <u>469,662</u> |

Sussex Rural Community Council

(Limited by Guarantee)

Balance Sheet as at 31 March 2025

| | Notes | £ | 2025 £ | £ | 2024 £ |
|---------------------------------------|-------|------------------|------------------|------------------|------------------|
| Fixed Assets | | | | | |
| Tangible assets | 9 | | 8,863 | | 203 |
| Freehold Property | 9 | | 500,000 | | - |
| Investment | 10 | | <u>1,038,729</u> | | <u>-</u> |
| | | | 1,547,592 | | 203 |
| Current assets | | | | | |
| Debtors | 11 | 78,645 | | 50,796 | |
| Cash balances | | <u>68,803</u> | | 1,654,978 | |
| | | 147,448 | | 1,705,774 | |
| Liabilities | | | | | |
| Creditors: amounts falling | | | | | |
| Due in under one year | 12 | <u>(110,565)</u> | | <u>(105,914)</u> | |
| Net current assets | | | <u>36,883</u> | | <u>1,599,860</u> |
| Total assets less current liabilities | | | 1,584,475 | | 1,600,063 |
| Provisions | 19 | | <u>(8,565)</u> | | <u>(3,548)</u> |
| Net assets | | | <u>1,575,910</u> | | <u>1,596,515</u> |
| The funds of the charity | | | | | |
| Unrestricted funds | 15 | | | | |
| - General funds | | | 395,378 | | 353,665 |
| - Property Reserve | | | 500,000 | | - |
| - Designated funds | | | 650,000 | | 1,208,000 |
| - Pension Reserve | 19 | | <u>(8,565)</u> | | <u>(3,548)</u> |
| | | | 1,536,813 | | 1,558,117 |
| Restricted funds | 16 | | <u>39,097</u> | | <u>38,398</u> |
| Total charity funds | | | <u>1,575,910</u> | | <u>1,596,515</u> |

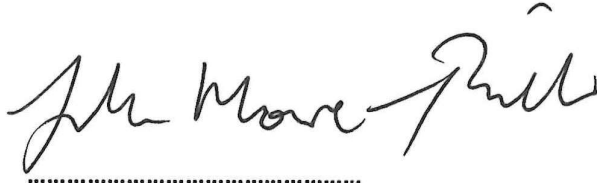
Sussex Rural Community Council

(Limited by Guarantee)

These financial statements were approved by the Board of Trustees on 17th December 2025 and signed on its behalf by:



William Anderson
Chair



John Moore-Bick
Trustee

Sussex Rural Community Council

(Limited by Guarantee)

**Cash Flow Statement
For the year ended 31 March 2025**

| | Notes | 2025 £ | 2024 £ |
|---|--------------|----------------------|-------------------------|
| Cash flows from operating activities | 21 | (38,909) | (76,107) |
| Cash flows from investing activities: | | | |
| Dividends and interest from investments | | 2,730 | 45,338 |
| Investment Fund | | (1,050,000) | - |
| Freehold Property | | (500,000) | - |
| Net cash provided by investment activities | | <u>(1,547,270)</u> | <u>45,338</u> |
| Change in Cash balances in the reporting period | | (1,586,175) | (30,769) |
| Cash balances at the beginning of the reporting period | | <u>1,654,978</u> | <u>1,685,747</u> |
| Cash balances at the end of the reporting period | | <u><u>68,803</u></u> | <u><u>1,654,978</u></u> |

Sussex Rural Community Council

(Limited by Guarantee)

Notes to the Financial Statements For the year ended 31 March 2025

1. Accounting policies

1.1. Basis of preparing the financial statements

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

1.2 Group financial statements

The Company is exempt from the requirement to prepare consolidated financial Statements by virtue of section 398 of the Companies Act 2006 as the group it heads qualifies as a small group. These financial statements therefore present information about the company as an individual undertaking and not about its group.

1.3. Preparation of the accounts on a going concern basis

The charity is dependent on the continued support of grant aiding bodies. The trustees believe that the company will continue to receive this support and, taking into accounts its cash reserves, consider that it is appropriate to prepare the financial statements on the going concern basis.

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when:

- the charity is legally entitled to the funds;
- any performance conditions attached to the income have been met or are fully within the control of the charity;
- there is sufficient certainty that receipt at the income is considered probable;
- the amount can be reliably measured.

Donations and legacies

Grants and donations are recognised as incoming resources in the year in which they are receivable, except as follows:

- When donors specify that grants or donations given to the charity must be used in future accounting periods, the income is deferred to those periods;
- when donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income. The income is deferred and not included in incoming resources until the preconditions for use are met.

Sussex Rural Community Council

(Limited by Guarantee)

Notes to the Financial Statements For the year ended 31 March 2025

Charitable activities

Income from operational programmes is included in the incoming resources in the period in which the relevant programme takes place.

Project specific funding - when donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement. this income is included in incoming resources of restricted funds when receivable.

Interest income

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

1.5 Expenditure

Expenditure is included on an accruals basis inclusive of any VAT which cannot be recovered and is recognised when:

- there is a legal or constructive obligation to make a payment;
- it is probable that settlement will be required;
- the amount of the obligation can be measured reliably.

Charitable activities

Operational programme costs - where costs are identified directly with specific programmes and allocated to the relevant heading within resources expended.

Support costs

The administrative and overhead costs associated with running the office from which the company operates as well as governance costs. Support costs are wholly attributable to operational programme costs.

Governance costs

Costs associated with the constitutional and statutory requirements of the charity.

Sussex Rural Community Council

(Limited by Guarantee)

Notes to the Financial Statements

For the year ended 31 March 2025

1.6. Fund (Reserves)accounting

Funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Designated funds - these are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects or the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

1.7 Tangible fixed assets and depreciation

Individual fixed assets costing £1,000 or more are capitalised at cost. Depreciation is provided at annual rates calculated to write off the cost less residual value of each asset over its expected useful life as follows:

Furniture, fixtures & equipment/IT equipment - Straight line basis, the shorter of four years or the duration of the project.

1.8. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

Investments held within investment funds are revalued to the market Net Asset Value at regular quarterly intervals.

1.9 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.

1.10 Cash Balances

Cash balances include 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.

1.11 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 recognised at their settlement amount after allowing for any trade discounts due.

Sussex Rural Community Council

(Limited by Guarantee)

**Notes to the Financial Statements
For the year ended 31 March 2025**

1.12 Pensions

The company makes defined contribution pension and superannuation payments in relation to members of staff in accordance with the terms of their employment contracts. Such payments are charged to the statement of financial activities as they become payable.

1.13. Financial Instruments

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 revalued at their Settlement value.

2. Incoming Resources

The total incoming resources for the year have been derived from the principal activity undertaken wholly in the UK.

| 3. Investment Income | 2025 | 2024 |
|---|---------------|---------------|
| | £ | £ |
| Investment Income | <u>14,001</u> | <u>45,338</u> |
| 4. Net income/(expenditure) for the year is stated after charging: | 2025 | 2024 |
| | £ | £ |
| Depreciation of tangible assets | 2,607 | 217 |
| Audit costs | <u>5,500</u> | <u>5,200</u> |

5. Trustees' emoluments and reimbursed expenses

The trustees received no remuneration during the year (2024 - £Nil)

The aggregated amount reimbursed to trustees during the year was £298 (2024 - £Nil)

| 6. Staff costs and numbers | 2025 | 2024 |
|---|----------------|----------------|
| | £ | £ |
| Staff costs | | |
| Salaries, social security and pension costs | 418,731 | 380,286 |
| Other pension costs | <u>5,029</u> | <u>-</u> |
| | <u>423,760</u> | <u>380,286</u> |

Sussex Rural Community Council

(Limited by Guarantee)

Notes to the Financial Statements For the year ended 31 March 2025

The number of employees whose annual remuneration was more than £60,000 is as follows:

| | 2025 Number | 2024 Number |
|------------------|----------------|----------------|
| 60,000 to 70,000 | 1 | - |

The key management personnel of the charity comprise the Trustees and the Management Team. The total employee costs of the 3 (2024 : 2) key management personnel of the charity were £129,470 (2024 - £123,274).

Staff Numbers

The average number of employees (including casual and part time staff) during the year was made up as follows:

| | 2025 Number | 2024 Number |
|---------------------------------|----------------|----------------|
| Support /operational programmes | <u>16</u> | <u>14</u> |

7. Pension costs

The company operates a defined contribution pension scheme in respect of its employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £5,029 (2024 - Nil).

8. Corporation taxation

The company is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

9. Fixed Assets -tangible assets

| | IT Equipment £ | Furniture Fixtures Equipment £ | Total £ |
|---------------------|----------------------|---|---------------|
| Cost | | | |
| 1 April 2024 | 651 | 7,690 | 8,341 |
| Additions | <u>11,266</u> | <u>-</u> | <u>11,266</u> |
| 31 March 2025 | <u>11,917</u> | <u>7,690</u> | <u>19,607</u> |
| Depreciation | | | |
| 1 April 2024 | 448 | 7,690 | 8,138 |
| Charge for year | <u>2,606</u> | <u>-</u> | <u>2,606</u> |
| 31 March 2025 | <u>3,054</u> | <u>7,690</u> | <u>10,744</u> |

Sussex Rural Community Council

(Limited by Guarantee)

Notes to the Financial Statements For the year ended 31 March 2025

Net book values

| | | | |
|---------------|--------------|----------|--------------|
| 31 March 2025 | <u>8,863</u> | <u>-</u> | <u>8,863</u> |
| 31 March 2024 | <u>203</u> | <u>-</u> | <u>203</u> |

Fixed assets - freehold property

| | |
|------------------------|----------------|
| | £ |
| Cost | |
| 1 April 2024 | - |
| Additions | <u>500,000</u> |
| 31 March 2025 | <u>500,000</u> |
| Depreciation | |
| 1 April 2024 | - |
| Charge for year | - |
| 31 March 2025 | - |
| Net book values | |
| 31 March 2025 | <u>500,000</u> |
| 31 March 2024 | - |

10. Fixed Asset Investments - subsidiary

Druv Homes Limited, registered on 26 May 2023, is a Registered Society under the Co-operative and Community Benefit Societies Act 2014, Registration number 9082. This organisation is deemed a subsidiary of Sussex Rural Community Council. Druv Homes Limited has not traded since being registered and has not yet issued any shares.

Fixed Asset Investments – listed investments

| | |
|------------------------|------------------------------------|
| | CCLA Listed Investments £ |
| 1 April 2024 | - |
| Additions | <u>1,050,000</u> |
| Unrealised gain/(loss) | <u>(11,271)</u> |
| 31 March 2025 | <u>1,038,729</u> |

Sussex Rural Community Council

(Limited by Guarantee)

Notes to the Financial Statements For the year ended 31 March 2025

Fixed Asset Investments – listed investments

| | CCLA Listed Investments £ |
|------------------------|------------------------------------|
| 1 April 2024 | - |
| Additions | <u>1,050,000</u> |
| Unrealised gain/(loss) | <u>(11,271)</u> |
| 31 March 2025 | <u><u>1,038,729</u></u> |

| 11. Debtors | 2025 £ | 2024 £ |
|----------------|----------------------|----------------------|
| Trade debtors | 67,542 | 10,785 |
| Other debtors | - | 309 |
| Prepayments | 1,103 | 1,202 |
| Accrued Income | <u>10,000</u> | <u>38,500</u> |
| | <u><u>78,645</u></u> | <u><u>50,796</u></u> |

| 12. Creditors: amounts falling due within one year | 2025 £ | 2024 £ |
|--|-----------------------|-----------------------|
| Trade creditors | 18,128 | 363 |
| Other taxation and social security | 14,378 | 10,722 |
| Other creditors | 5,540 | 6,866 |
| Accruals | 33,423 | 16,130 |
| Deferred income (Note 13) | <u>39,097</u> | <u>71,833</u> |
| | <u><u>110,566</u></u> | <u><u>105,914</u></u> |

| 13. Deferred Income | £ |
|---------------------------------------|----------------------|
| Balance at 1 April 2024 | 71,833 |
| Amount released to incoming resources | (89,536) |
| Amount deferred in the year | <u>56,800</u> |
| Balance at 31 March 2025 | <u><u>39,097</u></u> |

Deferred income relates to grants and other income received in advance.

14. Limited by guarantee

Sussex Rural Community Council is a private company, limited by guarantee, registered in England and Wales without a share capital. Each member guarantees to contribute £1 to the company in the event of its winding up. At 31 March 2025 there were 71 members.

Sussex Rural Community Council

(Limited by Guarantee)

Notes to the Financial Statements For the year ended 31 March 2025

15. Unrestricted funds

| | Brought Forward £ | Incoming Resources £ | Outgoing Resources £ | Gain/ (losses) £ | Pension £ | Transfers £ | Carried forward £ |
|------------------------------|----------------------|-------------------------|-------------------------|---------------------|--------------|----------------|----------------------|
| Designated Fund | | | | | | | |
| Development Fund | 534,984 | | | | | -24,984 | 510,000 |
| Relocation Fund | 500,000 | | | | | -500,000 | - |
| Sussex Community Housing Hub | 92,016 | | | | | 7,984 | 100,000 |
| IT Rolling Replacement Fund | 18,000 | | | | | -8,000 | 10,000 |
| Recruitment Fund | 63,000 | | | | | -33,000 | 30,000 |
| Total Designated Fund | 1,208,000 | | | | | -558,000 | 650,000 |
| General Fund | 353,665 | 343,093 | -353,126 | -11,271 | 5,017 | 58,000 | 395,378 |
| Property Fund (Note 9) | | | | | | 500,000 | 500,000 |
| Pension Deficit | -3,548 | | | | -5,017 | | -8,565 |
| | <u>1,558,117</u> | <u>343,093</u> | <u>-353,126</u> | <u>-11,271</u> | <u>-</u> | <u>-</u> | <u>1,536,813</u> |

16. Restricted funds

| | Brought Forward £ | Incoming Resources £ | Outgoing Resources £ | Carried forward £ |
|------------------------|----------------------|-------------------------|-------------------------|----------------------|
| Lost Woods | 35,618 | 101,328 | (136,946) | - |
| Hope Keith | - | 40,347 | (34,217) | 6,130 |
| Rural Housing Enabling | 780 | 62,389 | (36,002) | 27,167 |
| Village Halls | 2,000 | 6,715 | (2,915) | 5,800 |
| | <u>38,398</u> | <u>210,779</u> | <u>(210,080)</u> | <u>39,097</u> |

The National Lottery Heritage Fund supported our Lost Woods programme to introduce communities to woodland wildlife and conservation projects. DEFRA have funded our Rural Housing Enabling programme to help deliver rural affordable housing schemes. Mid Sussex Voluntary Action support our Village Halls Service. Hope Keith Villages Trust funded a new villages connect community development programme.

Sussex Rural Community Council

(Limited by Guarantee)

Notes to the Financial Statements

For the year ended 31 March 2025

17. Analysis of net assets between funds

| | General Funds £ | Designated funds £ | Restricted funds £ | Total £ |
|---|-----------------------|--------------------------|--------------------------|------------------|
| Fund balances at 31 March 2025 are represented by: | | | | |
| Tangible fixed assets | 508,863 | - | - | 508,863 |
| Net current assets | 386,515 | 650,000 | 39,097 | 1,075,612 |
| Pension Reserve | (8,565) | - | - | (8,565) |
| | <u>886,813</u> | <u>650,000</u> | <u>39,097</u> | <u>1,575,910</u> |

18. Financial commitments

At 31 March 2025 the company had no total future commitments under operating leases as follows:

| | 2025 £ | 2024 £ |
|-----------------|-----------|-----------|
| Due: | | |
| Within one year | - | 6,700 |
| Over one year | - | 18,983 |

19. Pension scheme

The company participates in the scheme, a multi-employer scheme which provides benefits to some 521 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

Sussex Rural Community Council

(Limited by Guarantee)

Notes to the Financial Statements For the year ended 31 March 2025

A full actuarial valuation for the scheme was carried out at 30 September 2023. This valuation showed assets of £514.9m, liabilities of £531.0m and a deficit of £16.1m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

| | | |
|-------------------------------------|----------------------|-------------------|
| From 1 April 2025 to 31 March 2028: | £2,100,000 per annum | (payable monthly) |
|-------------------------------------|----------------------|-------------------|

Unless a concession has been agreed with the Trustee the term to 31 March 2028 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

| | | |
|---------------------------------------|----------------------|-------------------|
| From 1 April 2022 to 31 January 2025: | £3,312,000 per annum | (payable monthly) |
|---------------------------------------|----------------------|-------------------|

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

PRESENT VALUES OF PROVISION

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

| | Period Ending 31 March 2025 | Period Ending 31 March 2024 |
|--|--------------------------------|--------------------------------|
| Provision at start of period | 3,548 | 7,596 |
| Unwinding of the discount factor (interest expense) | 94 | 290 |
| Deficit contribution paid | (3,618) | (4,341) |
| Remeasurements - impact of any change in assumptions | 54 | 3 |
| Remeasurements – amendments to the contribution schedule | 8,487 | - |
| Provision at end of period | 8,565 | 3,548 |

Sussex Rural Community Council

(Limited by Guarantee)

**Notes to the Financial Statements
For the year ended 31 March 2025**

20. Related party transactions

None (2024 - £8,118 on pre incorporation expenditure relating to Druv Homes Ltd)

| 21. Reconciliation of net income (expenditure) to net cashflow from operating activities | 2025 £ | 2024 £ |
|---|------------------------|------------------------|
| Net income (expenditure) for the reporting period (as per the statement of financial activities) | (20,606) | 9,473 |
| Depreciation | 2,607 | 217 |
| Dividends and interest | (2,730) | (45,338) |
| (Increase) decrease in debtors | (27,849) | 21,415 |
| (Decrease) increase in provisions | 5,017 | (4,048) |
| (Decrease) increase in creditors | <u>4,652</u> | <u>(57,826)</u> |
| Net cash outflow from operating activities | <u><u>(38,909)</u></u> | <u><u>(76,107)</u></u> |

