

Company number: 3162873

Charity number: 1053806



Community Action Hampshire
Report and Financial Statements
31 March 2023

Contents

Reference and Administrative Details	2
Report of the Trustees	4
Report of the independent auditors	17
Statement of Financial Activities (incorporating an income and expenditure account)	21
Balance sheet	22
Statement of Cash Flows	23
Notes to the Financial Statements	24

Report of the trustees

For the year ended 31 March 2023

Reference and Administrative Details

Charity Number: 1053806 registered in England and Wales

Company Number: 3162873 incorporated and registered in England and Wales

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

Telephone: 01962 854971 Fax: 01962 841160

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

Our advisers

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

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

Investment Managers: CCLA Investment Managers Ltd, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

Directors and trustees

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

Michael Southgate (Chairman – resigned January 2023)

Richard Barritt (Interim Chairman appointed January 2023)

Savannah King

Julie Amies

Colin Brown (resigned December 2022)

Katharine English

Margaret Geary (resigned June 2023)

Kate Shurety (appointed July 2022)

Nagina Kalem (appointed March 2023)

Sarah Quarterman (appointed March 2023)

David Laing (appointed March 2023)

Ian Bowes (appointed 3 April 2023)

Dr Tika Ratna (appointed 1 July 2023)

Company Secretary:

Sarah Hurford-Potter (resigned October 2022)

Denise Lavers (appointed October 2022)

Chair of the Finance Committee:

Oliver Rowe

Key management personnel

Senior Leadership Team

Chief Executive Officer

Leah Campbell – appointed April 2022
(previously Head of Charitable services)

Interim CEO

Kate Shurety – resigned July 2022

Head of Operations

Denise Lavers – appointed May 2022

Head of Finance and Contracts

Sarah Hurford-Potter - resigned October 2022

Head of Enterprise

Nikki Prentice-Jones – resigned March 2023

Head of Community

Nicky Judd – appointed July 2022

(previously Head of VCSE Support and Engagement)

Report of the Trustees

The trustees present their report and the audited financial statements for the year ended 31 March 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a directors' report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Our Purpose and Activities

The objectives of the Charity are:

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

Our vision is of a strong voluntary, community and social enterprise (VCSE) sector in Hampshire, with a mission to help and inspire the VCSE sector to be the best it can be. All of our work is driven and underpinned by our values:

- Enterprising
- Empowering
- Bold
- Informative

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

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

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

1. Hampshire VCSE Support
2. Membership Network
3. Partnerships
4. Enterprise Services

Achievements and Performance

1. Hampshire VCSE Support

Housing Services/ Hampshire Homes Hub

Hampshire Homes Hub (HHH, 2020-2022) was funded for 2 years by monies from the Government to start Community Led Housing Hubs. There was no local appetite from partners to keep the partnership continuing beyond the funded period. HHH was disbanded in June 2022 when the funding came to an end.

A new upfront payment model was adopted in June 2022. The services offered in the new model were enabling, housing needs surveys, bespoke research and consultation event support. This service brought in an income of over £30,000 from June 2022 to March 2023. However, this level of income is below the cost required to run the service and the decision was made by the Trustees and Senior Management Team at Action Hampshire in March 2023 to end the service in its current form.

There were changes in the team over 2022-23. The staffing levels reduced from 2.6 FTE to 1.8 FTE in June 2022, and then reduced again to 0.8 FTE due to a member of the team going on maternity leave in September 2022.

Between April 2022 and March 2023 we supported 10-15 community led housing groups and parish councils who want to deliver housing for their communities, in both urban and rural parts of the county. This has included providing advice about the different community led housing models and establishing a group, supporting parish council working groups (in Winchfield, Bighton and Eversley) and carrying out housing need surveys, as well as assisting with site finding, selecting a housing association and public consultations.

We have delivered an income through carrying out housing need surveys in Hartley Wintney and Owslebury, as well as providing direct enabling support. Additionally, we completed work with a local authority in June 2022 looking into housing affordability within the district and identifying price ranges that are affordable for households on the register. We also carried out a piece of work providing information on Community Self Build and supported a small housing co-operative with maintenance and funding issues.

One of our Rural Housing Enablers completed a 5-6 month consultancy role supporting another Rural Community Council with rural housing enabling work from October 2022, attending Parish Council meetings, liaising with local authority partners, managing incoming enquiries and supporting the new RHE at the start of their role.

12 homes will shortly be completed in Odiham and planning permission has been granted for 8 affordable homes in Curdrige. We have provided support to both schemes since 2012 carrying out housing need surveys, searching for sites, delivering consultation events, and facilitating working groups.

The team has continued to engage with active groups and parish/town councils to support them to progress a scheme as well as promoting our housing need survey and research services. We have kept partners updated with the changes in services – both in June 2022 and March 2023.

Report of the trustees

For the year ended 31 March 2023

2. Membership Network

Membership

Action Hampshire members can benefit from a range of offers, including guidance and information, support and training, one to one meetings with our CEO, membership of our Community Buildings Advice Service, discounted posts on our jobs board and a discount on our room hire costs.

Publications 2022 - 2023

We have continued to publish a weekly newsletter with information for the voluntary, community and social enterprise (VCSE) sector. The newsletter includes funding opportunities and information and support for organisations and their beneficiaries. We alternate between a member newsletter and a shorter general newsletter called – News You Can Use (NYCU).

MEMBER – Focus is on networking and connecting in Hampshire. Also includes information on governance, policy, good news stories, up and coming events, resources, surveys, support for our members, funding and urgent announcements.

NYCU – Focus is on urgent announcements and a snapshot of the types of resources, information and funding that users can get if they become a member.

We currently have about **250** member subscribers and **1340** NYCU subscribers. Our NYCU subscriber list has reduced by about 400 after we went through a subscriber clean up exercise – removing any subscribers that weren't opening / engaging with our newsletter.

Our open rate is at an average of **40%** (based on the last 10 editions), equating to an average of **678** people opening it each week. Subscriptions are increasing by about **6** people per week, and we are getting frequent e-mails thanking us for the newsletter and requesting us to include content.

- ❖ *"A great way to feel connected to the sector"*
- ❖ *"Thanks also for your great newsletter; it's really, really useful and very much appreciated."*
- ❖ *"...just wanted to thank you for the wonderful plug for our Wizard of Oz production. Really appreciate the support."*

3. Partnerships

After reduced delivery due to the COVID-19 pandemic, in 2022-23 Action Hampshire began growing our research and engagement. In addition to the continuation of some of our longstanding projects, we also secured new opportunities that have resulted in innovative collaborations and stronger working relationships with partners, such as the Hampshire & IOW Integrated Care Service (ICS) and local National Institute for Health & Care Research (NIHR) bodies. Through our research and engagement projects Action Hampshire has formed an effective bridge between statutory sectors and the expertise and lived experience of VCSE organisations and their communities.

Raising Voices in Research

Action Hampshire partnered with the Hampshire and Isle of Wight ICS, University Hospital Southampton, the University of Winchester and other VCSE organisations to deliver Raising Voices in Research, a programme that aimed to grow research engagement, through both the creation of networks and participation in

Report of the trustees

For the year ended 31 March 2023

research. We funded 11 VCSE organisations to undertake two workshops with their community members, to understand their perceptions and needs regarding research and how they would like to be communicated with about research opportunities. The data from the workshops was analysed and written into a Local Plan for Research and Pledge, that provides guidance to local researchers on how to engage underserved communities in research. Communications Toolkits were also produced to support VCSE organisations to engage their members and for local researchers to better engage underserved communities in research. The project was funded by NHS Research and Innovation.

Greening for Wellbeing

Funded by NIHR Clinical Research Network Wessex, Action Hampshire delivered a short-term project that aimed to understand if and how nature based VCSE organisations measure their impact. In addition to mapping green activities across Hampshire and Isle of Wight, we funded 14 VCSE organisations to participate in two workshops. During these sessions we discussed their perceptions of impact measurement, what tools they currently use to measure their impact, the barriers/challenges they face to measuring their impact and ideas of how they could address these.

State of the Sector Research

Every two years since 2009, Action Hampshire has undertaken the State of the Sector research, on behalf of the Hampshire CVS Network. The purpose of this research project is to develop an overall picture of the sector and to increase understanding of areas in which VCSE organisations are thriving and where they may require more support. Our 2023 edition of this research focused on the Cost of Living Crisis, as this is a widely recognised situation within UK society that has had significant socio-economic effects. To collect data, we undertook an online survey (197 respondents) and online interviews and focus groups (9 participants) with VCSE organisations in Hampshire (including Southampton, Portsmouth and Isle of Wight). Once the data had been analysed, we invited VCSE organisations to review the findings (13 participants). The findings were written into a report and an executive summary video was also created. These outputs were launched a few days before we hosted a well-attended online webinar about the research.

HIVCA

Through a series of task and finish and working groups that Action Hampshire facilitated, the proposed design of the VCSE alliance for the HIOW ICS was completed and a business case submitted. Partial funding has now been agreed so that elements of this model can now be established. This process laid important foundations for the VCSE sector to contribute to strategic development and delivery across the HIOW ICS, in a fair and effective way.

Communities Against Cancer

Our *Communities Against Cancer (CAC)* project funded by Wessex Cancer Alliance continued until March 2023. This saw 200 people access our Cancer Awareness Workshops and many VCSE organisations receive grants and support from Action Hampshire to help them deliver cancer awareness projects. Projects were aimed at helping people reduce their risk of cancer, understand signs and symptoms, cancer screening and the importance of seeking help early. There was a particular focus on reaching communities experiencing health inequalities with specific projects engaging with Black men and prostate cancer and Asian women and cancer screening. An evaluation of CAC was conducted by the University of Southampton Macmillan Research Group. The draft final report highlights the good practice and positive relationships built by the Action Hampshire Team with VCSE organisations, communities and the funder. Communities Against Cancer has been funded for a further 2 years with £200,000 funding to Action Hampshire (provided in yearly instalments of £100,000 per year from June 2024). Work continues to develop relationships with Wessex Cancer Alliance

and the ICS to embed this work into their usual funding and provide long-term stability and funding to this project.

Communities Tackling Loneliness with Transport

Communities Tackling Loneliness with Transport is a 1 year pilot project funded by the Department for Transport (DfT). Action Hampshire has been responsible for project managing the collaborative project and reporting to the DfT with progress reports and financial recording. The Hampshire-wide project involves three delivery partners – Age Concern Hampshire, MHA and Good Neighbours Network, each sharing in the funding and delivering a sustainable transport model to older residents who may be experiencing loneliness. The aim is for people to be able to access activities and social connection through using the new transport options. Age Concern Hampshire purchased an electric minibus. MHA leased four electric cars. Good Neighbours Network purchased an Electric Tri-shaw bike, electric cargo bikes and an electric van. The University of Winchester has also been a partner, conducting research with the participants. This has been to evaluate the project and determine whether loneliness rates and health and wellbeing measures have improved with the use of the transport models. The delivery of the pilots comes to an end in July 2023 with Action Hampshire's work continuing in sharing the learning from the projects and engaging with the wider VCSE sector on the issue of loneliness, as a major health risk for physical and mental health within Hampshire communities. The University of Winchester evaluation report is due in early 2024.

Warmth Matters

The *Warmth Matters* programme, is funded annually by Scottish & Southern Energy Network (SSEN). The project has been funded over the past few years to help the energy sector reach vulnerable energy users and provide information. This has been delivered in partnership with Surrey Community Action as the SSEN area crosses over both Hampshire & Surrey areas. The project focuses on supporting eligible individuals and families to sign up for the Priority Services Register (PSR) so that they receive additional assistance in a power cut, whether planned or an emergency. This has been achieved through attending events and collaborating with VCSE partners to provide information and guidance to energy users in vulnerable groups. Due to restructuring at SSEN, funding for this year has not yet been received. However, the Warmth Matters work is continuing, and communication is progressing with SSEN to secure further funding for a project lasting until March 2025.

Community Buildings Support

Action Hampshire continues to engage with and support community buildings. The Basecamp (online platform) group for Community Buildings is well used as a place for sharing information and for peer support. Community buildings have been supported around funding, governance, sustainability, environmental initiatives, energy costs, becoming warm hubs, representation and rural issues. They continue to be engaged with other opportunities at Action Hampshire such as the Together for our Planet project. We also celebrate and showcase our community buildings, highlighting the important part they play as community hubs, increasing social connectedness and providing vital services for the health and wellbeing of communities.

Strategic representation

We have continued to support and represent the sector through Hampshire Leadership Forum, Hampshire Rural Forum, Ukraine Support Group, Hampshire Domestic Abuse Partnership Board, HIOW solutions (engagement) group, HCC mental health and poverty, and its subgroup mental wellbeing and green spaces and taking part in ad hoc opportunities such as HCC's Public Health event.

Report of the trustees

For the year ended 31 March 2023

The strong foundations we've set in 2022-23, has meant we have many projects lined up for the 2023-24 financial year:

- The Bill Sargent Trust research project
- Communities Against Cancer
- Impact Measurement Guidance Booklet
- Greening for Wellbeing Phase 2
- Raising Voices in Research Phase 2
- HIVCA
- Social Enterprise Research
- Warmth Matters
- Community Buildings Support

Fratton Big Local

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

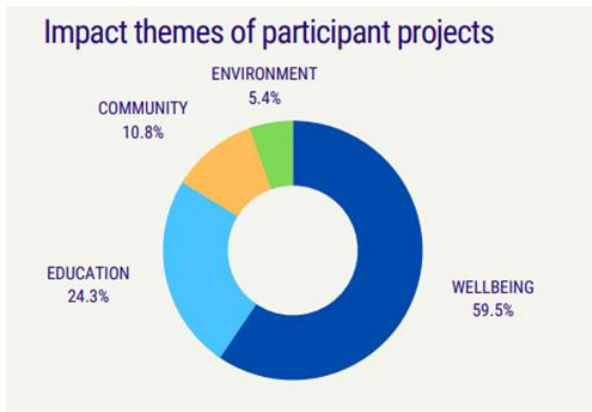
The FBL Partnership has continued to support the Fratton Road Traders Association. This year has been different due to the COVID-19 Pandemic and the passing of her late Majesty the Queen. Whilst we haven't been able to do all of our normal annual events, FBL has been able to hold various other events.

FBL has also started the process of exploring opening a community Pantry in Fratton, which we hope to have open during the next year.

Other FBL activities during the year included:

- Festival of Lights: The annual lantern parade was able to take place.
- Inspiring Fratton Awards: FBL ran the 4th Inspiring Fratton Awards in partnership with MP Stephen Morgan. This event was in combination with a volunteers' thank you event.
- Community Grants: A number of grants were given (which included support), including Fratton Community Centre, Pathways, Nexus Project and By the light of the moon.
- Volunteering support for residents in the community who have been self-isolating, helping with things such as prescription collections, dog walking, etc.
- FBL worked with other groups and supported other local events, such as Where there is Light.
- The MOON came to Fratton, the Moon installation took place at St Mary's Church, there were also light installations, part of We Shine at St Mary's Church.
- The annual May Fayre took place, the first once since the COVID-19 pandemic.

Whilst the annual Fratton Family Festival could not take place, FBL hope to hold it this next year!



4. Hampshire VCSE Support

From July 2022 to March 2023, the Enterprise team successfully won and delivered the Accelerating Women's Enterprise (AWE) programme in partnership with the School for Social Entrepreneurs Dartington team. The key aims of the programme were to support women who face multiple barriers into enterprise and to increase the sustainability of struggling early-stage women-owned businesses and social enterprises. The programme consisted of a combination of action learning programmes, online training, a residential intensive weekend, mentoring and peer networking access support.

It made an incredible impact and difference to the 37 women who we supported through the three programme elements:

Sofa Sessions

To support women with their business idea or to turn a community or voluntary project into a social enterprise.

- 2 cohorts during November & December 2022
- 17 women supported over 10 weeks
- 25 hours of learning content

Nuts & Bolts

Giving women the practical skills to run a business that helps the community or the environment, and how their work can achieve positive change.

- 19 women supported over 5 weeks

Accelerator Weekend

For female leaders who have been running their business for at least 2 years, who need time to reflect, restore, and re-energise

- 12 female leaders
- Intensive workshop sessions over a 2-day residential weekend in Winchester

Mentoring

- 8 mentors recruited and trained
- Mentoring matching process

Additional sessions

- Wellbeing and resilience online workshop
- Motivational Mapping, online workshop, and participant resource toolkit
- 1:1 support
- Drop-in online sessions twice weekly
- Cross cohort networking events

AWE participant Case Study



Susanna Edwards, The School of Creative Wellness

Meet Susanna Edwards, a former university programme leader, created The School of Creative Wellness at the end of 2022 after experiencing poor mental wellbeing after caring for her father through a long period of ill health and finding that her life lacked balance and joy. After re-training as a yoga teacher and rekindling her love of letterpress, Susanna has created 'Back to You' and 'Breathe then Reach' programmes to help women to find clarity, balance and joy; providing self-care practices & wellbeing services.

During her time on the Accelerating Women's Enterprise (AWE) programme, Susanna initially explored and defined the concept behind her business in a group setting that was kind and collaborative. "The format of the workshops were dynamic and interactive with an amazing team going above and beyond to nurture, educate and enable us to pursue our passions with realism and care." says Susanna.

Susanna attended the Women's Enterprise Sofa Session workshops in 2022, which helped her explore her vision and purpose to develop her business idea in a supportive group of like-minded women. Susanna has progressed to the Nuts & Bolts workshop sessions, which teach practical skills on how to run a business and how her work can achieve positive change. Since the beginning of the course, she has left employment and launched her business and the Nuts and Bolts is really keeping her on track in every aspect of delivery.

One of the most useful aspects of the course according to Susanna were the in person dynamic workshops which fostered collaborative working and sharing, the volume of support and resources and the community and networks built. Susanna says, "The Project lead, Jen, has a theatre background and her approach enabled us to work in a highly engaging, inspiring and productive way. There is so much content, and it was delivered with care, innovation, and aplomb. The guest speakers were so well curated and left me feeling inspired and

Report of the trustees

For the year ended 31 March 2023

full of ideas to implement. The learning environment was vibrant, and I could really open up in a safe caring space about my ideas, my feelings and felt so much support. I loved contributing and listening and sharing in person and the virtual learning environment, introduced in the Nuts and Bolts gives me time to digest and continue learning and interacting outside of the in-person sessions. The Motivational Maps uncovered deep behavioural and attitude insights that were 'revelationary' and tied them to how to operate understanding my strengths and vulnerabilities to work in the best way possible."

Participant feedback

Suanna continues, "My main issues when I joined was that I was working in isolation and being alone and my breakthrough at the end is the realisation that I don't have to do it alone. It was more than a perception that a reality and with that in mind I've delegated my logo design. After exploring more I've paired back my steps and instead of seeking to work in school straight away, I'm going to start doing a few workshops in the library."

I'm now connected with another group member to collaborate on our businesses together. I would never have known where or how to connect in this way before I did this course. I'm so grateful that I was able to be honest about where I was at the start – which was confused, overwhelmed, and thinking of giving up – to optimistic, I have a sense of clarity that I just didn't have before and I'm ready for action! Most of all I feel supported and able to ask for help when I need it. Watch this space!"

"This course has made a massive difference to my life and to my family's life. I'm now so much more confident and able to express how I feel about not just my business but for myself personal I have found my voice again. I can do this and I will." "The weekend away was amazing. The connection with human beings was so important to me and in helping me be better at my business, I loved having dinner together, playing games and being our true playful selves, I really loved that."

The School for Social Entrepreneurs Lloyds Start Up programme

The current Lloyds funding for School for Social Entrepreneurs Start Up programme came to an end in October 2022 after 13 years. During this time SSE Hampshire have supported over 220 social entrepreneurs – over the last 4 years alone nearly 8,000 people have benefitted from their enterprises; the impact of this programme has been incredible.

Over the last 12-month period, the Social Enterprise team have delivered the following learning programme session:

15	Study Days
8	Action Learning sets
1	Graduation celebration event

The 2022 Graduating Students are featured in annual year book, which is saved on the Action Hampshire website via this link: [SSE-2022-Student-Yearbook-FINAL.pdf \(actionhampshire.org.uk\)](#)

Financial Review

Net Incoming/Outgoing Resources

The charity budgeted to operate at a deficit in the year to 31 March 2023, and while income was broadly in line with budget, increased operating expenses, the dilapidation provision and a loss on investments increased the actual deficit. The charity is addressing increased operating costs as part of the three-year strategic plan explained below.

Unrestricted funds show net outgoing resources for the year of £709,942 before accounting for an actuarial gain on the pension fund of £1,496,000 and a loss on investments of £87,941. Restricted funds show net incoming resources for the year of £126,979.

The charity received core infrastructure funding from Hampshire County Council, totalling 5% (2022: 8%) of its grant income for the year. A further 5% (2022: 7%) of grant income was provided by Defra via an agreement with Action with Communities in Rural England (ACRE). Grants from all sources represent 85% (2022: 47%) of the charity's total incoming resources.

The statement of financial activities shows income and expenditure in respect of each of the charity's main areas of activity.

Reserves, Investment Policy and Going Concern

The charity's reserves increased significantly in early 2014 as a result of the sale of its single major asset, Beaconsfield House. Before the sale this had been Action Hampshire's operational base. The sale proceeds were invested in a planned way to support and develop the organisation, securing its ability to meet the needs of current and future members in an increasingly difficult financial environment, and also to fund the ongoing cost of its leased premises at Westgate Chambers.

In August 2013 the Board appointed CCLA as external investment managers and takes their advice in investment strategy. Long term investments have been made in a range of CCLA funds, with the object of securing a sustainable income while maintaining capital value. CCLA reports regularly to the Investment Group and to the Board. Investment income for the year of £64,820 was under target and like many charities, the market value of investments fell during the year. Full details of the 2022-23 performance are given in the financial statements in note 18.

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

The Board aims to maintain free reserves of at least six months of unrestricted expenditure. The trustees consider that this is the minimum required to manage variations in income generation and timing, unexpected expenses and variable investment returns without impacting support for our members and beneficiaries.

At 31 March 2023, six months of unrestricted expenditure was £493,187 and after taking into account the pension scheme liability, unrestricted reserves were £1,434,859. Of these £nil related to fixed assets. Designated funds totalling £400,000 were held in respect of the implementation of the three-year strategic plan.

Report of the trustees

For the year ended 31 March 2023

Unrestricted reserves represent 20.6 months' worth of unrestricted expenditure. This is in excess of the minimum required level but the senior leadership team and trustees are aware that the charity can only continue to operate at a deficit for a limited period and so have developed and implemented a new three-year strategic plan aimed at taking advantage of emerging opportunities, and strengthen the operations and finances of the charity to maximise the long-term support for our members and beneficiaries. The strategic plan is expected to be completed during the financial year to 31 March 2026 and by then the charity should not be operating at a deficit.

The board have set aside designated reserves of £400,000 to see the organisation through the planned deficits during this transition.

There is no expectation that the pension fund will need to be distributed in full during the next twelve months and therefore there will be no requirement to make good the pension scheme liability of £208,000. Further details are provided in Plans for Future Periods below.

As at 31 March 2023, the charity had cash reserves of £75,363, together with £216,025 and £1,869,594 of investments held in the CCLA COIF Charities Deposit and Investment Funds respectively.

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

Plans for Future Periods

Grant income from both local and national government has declined significantly over the last few years, and so the new Strategic Plan positions the Charity to cope with further reductions in future years and also the possibility that grant income may cease entirely. Work has been underway for a number of years to reduce the organisation's reliance on grant income, and the senior management team continues to work on diversifying its income streams.

The charity has notified its landlord and another charity which shares its office space that it intends to vacate the Westgate Chambers premises when its lease ends on 28th January 2024. Office space has not been utilised fully since the increase in staff working from home, and the cost savings from vacating the premises provides an opportunity to use other more convenient and cost-effective spaces for meetings or other functions as required.

The charity's defined-benefit pension scheme was closed to new members from January 2019 and the Board decided to close the pension scheme to the remaining active members from September 2023. Responsibility for managing all accrued obligations up to that date is being transferred to the local authority Pension Services and all active members in the scheme have been enrolled in the charity's defined-contribution pension scheme.

Structure, Governance and Management

Governing Document

Community Action Hampshire, whose operating name is Action Hampshire, is a company limited by guarantee and is a registered charity. It was incorporated in 1996 and was previously an unincorporated association formed in 1951.

As of 31 March 2023, Action Hampshire had 90 full voting members. Full members comprise voluntary, community and social enterprise organisations (including unincorporated groups and individuals). Associate members are private or public sector organisations with an interest in the voluntary, community or social enterprise sector, including social enterprises that are private limited companies.

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

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

Recruitment and appointment of trustees

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

Trustees elected for the first time must be proposed by a member. Members elect trustees at the Annual General Meeting. The number of trustees shall not exceed twelve nor be less than five, of whom a simple majority must be elected. At 31 March 2023, there were 9 trustees. The trustees may act notwithstanding any vacancies in their number.

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

Induction and training of trustees

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

Organisation

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

Related parties

None of our trustees receive remuneration or other benefit from their work with the charity. Any connection between a trustee or senior manager of the charity with any supplier or contractor must be disclosed to the full Board of trustees in the same way as any other contractual relationship with a related party. Related party transactions are reported in note 10.

Pay policy for senior staff

The Board of trustees, and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis. All trustees give their time freely and no trustee received remuneration in the year. Details of trustees' expenses and related party transactions are disclosed in note 8 and note 10 to the accounts.

The pay of senior staff is reviewed annually and normally increased in accordance with cost-of-living increases, when finances allow.

Risk Management

The trustees have a risk management strategy which comprises:

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

This work has identified that financial sustainability is the major financial risk for the charity. Active management of the charity's working capital and regular cash flow forecasting are key elements in the management of this risk, drawing down on earnings and capital from long-term investments when needed. In April 2019 the charity entered a partnership with IncuHive, a local company marketing co-working space. This has generated additional income for the charity using unoccupied space in the Winchester premises.

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

Fundraising

The charity does not currently carry out significant fundraising, and therefore we have nothing to report regarding any of the legal requirements relating to fundraising.

Trustees' responsibilities in relation to the financial statements

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

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

In preparing those financial statements the trustees are required to:

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

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

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

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

By order of the Board of trustees

Richard Barritt
Chairman
13 December 2023

Opinion

We have audited the financial statements of Community Action Hampshire (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, 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 FRS 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 2023 and of its incoming resources and application of resources, including its income and expenditure for the year
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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 Community Action Hampshire'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 trustees' annual report, than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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

Independent Auditor's Report

to the members of Community Action Hampshire

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Independent Auditor's Report

**to the members of
Community Action Hampshire**

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Fleur Holden (Senior statutory auditor)

13 December 2023

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

Community Action Hampshire

Statement of Financial Activities (incorporating an income and expenditure account)
for the Year Ended 31 March 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME FROM					
Donations and legacies	3	58,943	-	58,943	50,646
Charitable activities	6				
Support for VCSE sector		-	123,234	123,234	98,576
Support for community-led action		37,628	186,623	224,251	136,684
Celebrating diversity and tackling disadvantage		-	851,854	851,854	200,761
Consultancy, advice and training		3,590	-	3,590	14,467
Other trading activities	4	111,451	-	111,451	92,633
Investment income	5	64,820	-	64,820	73,378
Total		<u>276,432</u>	<u>1,161,711</u>	<u>1,438,143</u>	<u>667,145</u>
EXPENDITURE ON					
Raising funds	7	48,496	4,209	52,705	22,095
Charitable activities	8				
Support for VCSE sector		250,075	109,171	359,246	268,761
Support for community-led action		337,406	161,179	498,585	498,547
Celebrating diversity and tackling disadvantage		187,154	746,344	933,498	433,508
Consultancy, advice and training		163,243	13,830	177,073	-
Total		<u>986,374</u>	<u>1,034,733</u>	<u>2,021,107</u>	<u>1,222,911</u>
Net gains/(losses) on investments		<u>(87,941)</u>	<u>-</u>	<u>(87,941)</u>	<u>238,651</u>
NET INCOME/(EXPENDITURE)		(797,883)	126,978	(670,905)	(317,115)
Other recognised gains/(losses)					
Actuarial gains on defined benefit schemes		<u>1,496,000</u>	<u>-</u>	<u>1,496,000</u>	<u>761,000</u>
Net movement in funds		698,117	126,978	825,095	443,885
RECONCILIATION OF FUNDS					
Total funds brought forward		736,742	64,985	801,727	357,842
TOTAL FUNDS CARRIED FORWARD		<u>1,434,859</u>	<u>191,963</u>	<u>1,626,822</u>	<u>801,727</u>

The notes form part of these financial statements

Community Action Hampshire (Registered number: 03162873)

Balance Sheet
31 March 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Investments	18	2,088,819	2,434,340
CURRENT ASSETS			
Debtors	19	109,296	54,639
Cash at bank and in hand		<u>75,363</u>	<u>120,165</u>
		184,659	174,804
CREDITORS			
Amounts falling due within one year	20	<u>(288,656)</u>	<u>(221,417)</u>
NET CURRENT ASSETS		<u>(103,997)</u>	<u>(46,613)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,984,822	2,387,727
PROVISIONS FOR LIABILITIES	22	(150,000)	-
PENSION LIABILITY	25	<u>(208,000)</u>	<u>(1,586,000)</u>
NET ASSETS		<u>1,626,822</u>	<u>801,727</u>
FUNDS	24		
Unrestricted funds		1,434,859	736,742
Restricted funds		<u>191,963</u>	<u>64,985</u>
TOTAL FUNDS		<u>1,626,822</u>	<u>801,727</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 13 December 2023 and were signed on its behalf by:

.....
R Barritt - Trustee

Community Action Hampshire

Statement of Cash Flows
for the Year Ended 31 March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	28	<u>(367,202)</u>	<u>(586,295)</u>
Net cash used in operating activities		<u>(367,202)</u>	<u>(586,295)</u>
Cash flows from investing activities			
Purchase of fixed asset investments		(212,420)	(73,327)
Sale of fixed asset investments		470,000	590,000
Interest received		<u>64,820</u>	<u>73,378</u>
Net cash provided by investing activities		<u>322,400</u>	<u>590,051</u>
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		(44,802)	3,756
Cash and cash equivalents at the beginning of the reporting period		<u>120,165</u>	<u>116,409</u>
Cash and cash equivalents at the end of the reporting period		<u><u>75,363</u></u>	<u><u>120,165</u></u>

The notes form part of these financial statements

Community Action Hampshire

Notes to the Financial Statements **for the Year Ended 31 March 2023**

1. STATUTORY INFORMATION

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note. In applying the financial reporting framework, the trustees have made a number of subjective judgements, for example in respect of significant accounting estimates. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgements affecting these financial statements are detailed within the relevant accounting policy below.

Legal status of the charity

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

Going concern

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

The charity has net assets of £1,626,822 at the year end. Net current liabilities are £103,997, but the charity has a cash balance of £75,363 and investments of £2,088,819. There was a net increase in funds for the year of £825,095, though £1,496,000 related to actuarial gains on the defined benefit pension scheme. The charity has exited the pension scheme post year end. Although the charity made an operational deficit of £670,905, the balance sheet remains strong. On this basis, the trustees consider it appropriate to prepare the financial statements on the going concern basis. This assumes that the charity will continue in operational existence for the foreseeable future. In making this assessment the trustees have reviewed the balance sheet, the likely future cash flows of the charity and have considered the funds available at this point in time.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

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

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

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Community Action Hampshire

Notes to the Financial Statements - continued **for the Year Ended 31 March 2023**

2. ACCOUNTING POLICIES - continued

Expenditure

Grants offered subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

Allocation and apportionment of costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on staff time attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

Redundancy / Termination payments

Termination benefits are measured at the best estimate of the expenditure required to settle the obligation at the reporting date. If the expected settlement date of the termination payments is 12 months or more after making the provision and the effect would be material, the present value of the obligation is calculated using an appropriate discount rate.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on straight line basis
Computer equipment	- 33% on straight line basis

Fixed assets are capitalised where the purchase price exceeds £1,000. Depreciation and amortisation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

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

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

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

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Community Action Hampshire

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Listed investments

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

Non-listed investments

Non-listed investments are recognised at cost.

Debtors

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

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

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

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 measured at their settlement value.

3. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Donations	443	-	443	-
Grants	<u>58,500</u>	<u>-</u>	<u>58,500</u>	<u>50,646</u>
	<u>58,943</u>	<u>-</u>	<u>58,943</u>	<u>50,646</u>

Grants received, included in the above, are as follows:

	2023 £	2022 £
Hampshire County Council (HCC)	<u>58,500</u>	<u>50,646</u>

4. OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Rental income	90,958	-	90,958	92,633
Training, membership fees and other income	<u>20,493</u>	<u>-</u>	<u>20,493</u>	<u>-</u>
	<u>111,451</u>	<u>-</u>	<u>111,451</u>	<u>92,633</u>

Community Action Hampshire

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2023**

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Interest and dividends	<u>64,820</u>	<u>-</u>	<u>64,820</u>	<u>73,378</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023 £	2022 £
Grants	Support for VCSE sector	123,234	89,954
CJRS	Support for VCSE sector	-	1,925
Fees and contracts	Support for VCSE sector	-	6,697
Grants	Support for community-led action	181,881	118,764
Fees and contracts	Support for community-led action	42,370	17,920
	Celebrating diversity and tackling disadvantage	851,854	179,091
Grants	Celebrating diversity and tackling disadvantage	-	21,670
Fees and contracts	disadvantage	-	21,670
Fees and contracts	Consultancy, advice and training	<u>3,590</u>	<u>14,467</u>
		<u>1,202,929</u>	<u>450,488</u>

7. RAISING FUNDS

Raising donations and legacies

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Staff costs	19,427	-	19,427	6,051
Sundries	6,482	-	6,482	7,458
Support costs	<u>22,587</u>	<u>4,209</u>	<u>26,796</u>	<u>8,586</u>
	<u>48,496</u>	<u>4,209</u>	<u>52,705</u>	<u>22,095</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9) £	Grant funding of activities (see note 10) £	Support costs (see note 11) £	Totals £
Support for VCSE sector	172,728	6,600	179,918	359,246
Support for community-led action	247,169	2,594	248,822	498,585
Celebrating diversity and tackling disadvantage	90,454	621,018	222,026	933,498
Consultancy, advice and training	<u>89,028</u>	<u>-</u>	<u>88,045</u>	<u>177,073</u>
	<u>599,379</u>	<u>630,212</u>	<u>738,811</u>	<u>1,968,402</u>

Community Action Hampshire

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023	2022
	£	£
Staff costs	338,404	475,193
Other staff costs	1,760	982
Operating costs	<u>259,215</u>	<u>188,446</u>
	<u>599,379</u>	<u>664,621</u>

10. GRANTS PAYABLE

	2023	2022
	£	£
Support for VCSE sector	6,600	-
Support for community-led action	2,594	9,066
Celebrating diversity and tackling disadvantage	<u>621,018</u>	<u>136,390</u>
	<u>630,212</u>	<u>145,456</u>

Wessex Cancer Alliance / Communities Against Cancer funding - grants paid £91,188 (2022: £134,208)
32 grants (2022: 28) were paid to eligible community groups/organisations, ranging in value from £760 to £5,000 (2022: £400 to £3,000).

Fratton Big Local Community Grants funding - grants paid £2,594 (2022: £9,066)
4 grants (2022: 4) were paid to eligible community groups in Fratton, ranging in value from £285 to £934 (2022: £600 to £6,759).

ICS Rend - grants paid £39,100 (2022: None)
16 grants were paid to eligible community groups, ranging in value from £500 to £3,460

NIHR - grants paid £6,600 (2022: None)
10 grants were paid to eligible community groups, ranging in value from £600 to £1,200

NAVCA Cost of Living - grants paid £4,500 (2022: None)
6 grants were paid to eligible community groups, of £750 each

Department for Transport Tackling Loneliness- grants paid £486,230 (2022: None)
4 grants were paid to eligible charity's/organisations ranging in value from £37,493 to £177,658.

Community Action Hampshire

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

11. SUPPORT

Support costs are as follows:

Management

	Raising donations and legacies £	Support for VCSE sector £	Support for community-le action £
Wages	9,028	60,613	83,826
Social security	1,591	10,677	14,766
Pensions	6,286	42,208	58,373
Other staff costs	82	558	772
Operating costs	9,473	63,606	87,965
Independent examination	-	-	-
Auditor's remuneration	336	2,256	3,120
	<u>26,796</u>	<u>179,918</u>	<u>248,822</u>

		2023	2022
	Celebrating diversity and tackling disadvantage £	Consultancy, advice and training £	Total activities £
Wages	74,799	29,662	257,928
Social security	13,176	5,225	45,435
Pensions	52,086	20,655	179,608
Other staff costs	689	273	2,374
Operating costs	78,492	31,126	270,662
Independent examination	-	-	-
Auditor's remuneration	2,784	1,104	9,600
	<u>222,026</u>	<u>88,045</u>	<u>765,607</u>

Activity Management Basis of allocation Staff time attributable to each activity

12. NET INCOME/(EXPENDITURE)

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

	2023 £	2022 £
Independent examination fee (excluding VAT)	-	3,800
Operating lease rentals - property	86,000	92,484
Operating lease rentals - other	446	484
Auditor's remuneration (excluding VAT)	<u>9,600</u>	<u>-</u>

13. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 nor for the year ended 31 March 2022.

Trustees' expenses

Trustees' expenses represent the payment or reimbursement of travel and subsistence costs totalling £65 (2022: £0) incurred by 2 (2022: 0) members relating to attendance at meetings of the trustees.

Community Action Hampshire

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

14. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	615,759	470,581
Social security costs	45,435	42,476
Other pension costs	<u>179,608</u>	<u>211,611</u>
	<u>840,802</u>	<u>724,668</u>

The average monthly number (headcount) of employees during the year was as follows:

	2023	2022
Supporting for VCSE sector	5	5
Support for community-led action	5	5
Celebrating diversity/tackling disadvant	4	3
Consultancy, advice and training	3	-
Support and admin	<u>8</u>	<u>8</u>
	<u>25</u>	<u>21</u>

No employees received emoluments in excess of £60,000.

The total employee benefits including pension contributions and employer's NI of the key management personnel were £186,000 (2022: £155,000).

Total redundancy payments for the year were £49,060 (2022: £Nil). These payments were accrued at the balance sheet date.

Employer pension contributions are split between:

	2023	2022
	£	£
Operating costs of defined benefit pension schemes	171,000	202,000
Employer's contribution to defined contribution pension schemes	<u>8,608</u>	<u>9,611</u>
	<u>179,608</u>	<u>211,611</u>

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	50,646	-	50,646
Charitable activities			
Support for VCSE sector	9,123	89,453	98,576
Support for community-led action	500	136,184	136,684
Celebrating diversity and tackling disadvantage	16,370	184,391	200,761
Consultancy, advice and training	14,467	-	14,467
Other trading activities	92,633	-	92,633
Investment income	<u>73,378</u>	<u>-</u>	<u>73,378</u>
Total	<u>257,117</u>	<u>410,028</u>	<u>667,145</u>
EXPENDITURE ON			
Raising funds	22,095	-	22,095
Charitable activities			
Support for VCSE sector	143,125	125,636	268,761
Support for community-led action	191,589	306,958	498,547
Celebrating diversity and tackling disadvantage	241,132	192,376	433,508

Community Action Hampshire

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

15. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Total	<u>597,941</u>	<u>624,970</u>	<u>1,222,911</u>
Net gains on investments	<u>238,651</u>	<u>-</u>	<u>238,651</u>
NET INCOME/(EXPENDITURE)	(102,173)	(214,942)	(317,115)
Transfers between funds	(122,106)	122,106	-
Other recognised gains/(losses)			
Actuarial gains on defined benefit schemes	<u>761,000</u>	<u>-</u>	<u>761,000</u>
Net movement in funds	536,721	(92,836)	443,885
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>200,021</u>	<u>157,821</u>	<u>357,842</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>736,742</u></u>	<u><u>64,985</u></u>	<u><u>801,727</u></u>

16. INTANGIBLE FIXED ASSETS

	Computer software £
COST	
At 1 April 2022 and 31 March 2023	<u>24,857</u>
AMORTISATION	
At 1 April 2022 and 31 March 2023	<u>24,857</u>
NET BOOK VALUE	
At 31 March 2023	<u><u>-</u></u>
At 31 March 2022	<u><u>-</u></u>

17. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2022 and 31 March 2023	<u>36,586</u>	<u>12,977</u>	<u>49,563</u>
DEPRECIATION			
At 1 April 2022 and 31 March 2023	<u>36,586</u>	<u>12,977</u>	<u>49,563</u>
NET BOOK VALUE			
At 31 March 2023	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
At 31 March 2022	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

Community Action Hampshire

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

18. FIXED ASSET INVESTMENTS

	Investments £
FAIR VALUE	
At 1 April 2022	2,434,340
Additions	212,420
Disposals	(470,000)
Change in fair value	<u>(87,941)</u>
At 31 March 2023	<u>2,088,819</u>
NET BOOK VALUE	
At 31 March 2023	<u>2,088,819</u>
At 31 March 2022	<u>2,434,340</u>

There were no investment assets outside the UK.

Analysis of investments:

	2023	2022
CCLA COIF Charities Investment Fund	1,869,594	2,407,536
CCLA COIF Charities Deposit Fund	216,025	23,605
Investment in Subsidiary - AH Activate Ltd	100	100
Investment in Community Infrastructure Partnership CIC	100	100
Investment in Cirican	<u>3,000</u>	<u>3,000</u>
	<u>2,088,819</u>	<u>2,434,340</u>

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

During 2019/20 the charity made a £3,000 investment in Cirican LLP, a Limited Liability Partnership with ACRE and 16 other Rural Community Councils.

During 2019/20 the charity made a £100 investment in Community Infrastructure Partnership a Community Interest Company with 6 other CVSs.

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	63,559	30,801
Prepayments and accrued income	<u>45,737</u>	<u>23,838</u>
	<u>109,296</u>	<u>54,639</u>

Community Action Hampshire

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	172,257	25,575
Social security and other taxes	5,223	6,709
Other creditors	3,003	2,218
Deferred income	22,230	178,308
Accrued expenses	<u>85,943</u>	<u>8,607</u>
	<u>288,656</u>	<u>221,417</u>

Deferred income

	£
Deferred income at 1 April 2022	178,308
Resources deferred in the year	22,230
Amounts released from previous years	<u>(178,308)</u>

Deferred Income at 31 March 2023 22,230

Deferred income comprises £13,230 Barrow Cadbury funding for a project that commences April 23 and £9,000 for training courses held post year end.

21. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	<u>71,667</u>	<u>86,000</u>

22. PROVISIONS FOR LIABILITIES

	2023	2022
	£	£
Provision for dilapidation	<u>150,000</u>	<u>-</u>

The charity has given notice to leave the premises they occupy and as such a provision for dilapidations has been made at the best estimate of the amount that will be payable.

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Investments	2,088,819	-	2,088,819	2,434,340
Net current assets/(liabilities)	(295,960)	191,963	(103,997)	(46,613)
Provision for liabilities	(150,000)	-	(150,000)	-
Pension liability	<u>(208,000)</u>	<u>-</u>	<u>(208,000)</u>	<u>(1,586,000)</u>
	<u>1,434,859</u>	<u>191,963</u>	<u>1,626,822</u>	<u>801,727</u>

COMPARATIVE ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2022 Total funds £
Investments	2,434,340	-	2,434,340
Net current assets/(liabilities)	(111,598)	64,985	(46,613)
Pension liability	<u>(1,586,000)</u>	<u>-</u>	<u>(1,586,000)</u>
	<u>736,742</u>	<u>64,985</u>	<u>801,727</u>

Community Action Hampshire
Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

24. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	Transfers between funds £	At 31.3.23 £
Unrestricted funds				
General fund	898,785	(534,973)	(306,969)	56,843
Designated Funds				
Westgate Chambers Lease and Maintenance	100,000	(56,969)	(43,031)	-
Action Hampshire Business Development	50,000	-	(50,000)	-
Fair Value reserve	1,273,957	(87,941)	-	1,186,016
Pension reserve	(1,586,000)	1,378,000	-	(208,000)
3 year strategy	-	-	400,000	400,000
	736,742	698,117	-	1,434,859
Restricted funds				
Rural Community Action Network	4,483	(4,483)	-	-
VCSEP	4,750	(4,750)	-	-
Fratton Big Local	22,346	14,008	-	36,354
Scottish & Southern Electricity Network	440	2,731	-	3,171
Wessex Cancer Alliance	-	41,243	-	41,243
HIVCA	15,657	(3,776)	-	11,881
Hampshire Rural Forum	575	(575)	-	-
HIWCF Strategic Digital Funding	16,734	(16,734)	-	-
Tackling Loneliness	-	61,825	-	61,825
ICS REND	-	27,519	-	27,519
NIHR Greening for Wellbeing	-	5,970	-	5,970
Accelerating Women in Enterprise	-	4,000	-	4,000
	64,985	126,978	-	191,963
TOTAL FUNDS	<u>801,727</u>	<u>825,095</u>	<u>-</u>	<u>1,626,822</u>
Net movement in funds, included in the above are as follows:				
	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	185,474	(720,447)	-	(534,973)
Designated Funds				
Westgate Chambers Lease and Maintenance	90,958	(147,927)	-	(56,969)
Fair Value reserve	-	-	(87,941)	(87,941)
Pension reserve	-	(118,000)	1,496,000	1,378,000
	276,432	(986,374)	1,408,059	698,117
Restricted funds				
Rural Community Action Network	44,675	(49,158)	-	(4,483)
VCSEP	6,001	(10,751)	-	(4,750)
Fratton Big Local	135,947	(121,939)	-	14,008
Scottish & Southern Electricity Network	11,000	(8,269)	-	2,731
Wessex Cancer Alliance	176,978	(135,735)	-	41,243
HIVCA	22,000	(25,776)	-	(3,776)
Hampshire Rural Forum	-	(575)	-	(575)
HIWCF Strategic Digital Funding	-	(16,734)	-	(16,734)
Tackling Loneliness	566,876	(505,051)	-	61,825
ICS REND	87,000	(59,481)	-	27,519
NIHR Greening for Wellbeing	15,000	(9,030)	-	5,970
NAVCA Cost of Living Fund	10,000	(10,000)	-	-
Accelerating Women in Enterprise	86,234	(82,234)	-	4,000
	1,161,711	(1,034,733)	-	126,978
TOTAL FUNDS	<u>1,438,143</u>	<u>(2,021,107)</u>	<u>1,408,059</u>	<u>825,095</u>

Community Action Hampshire

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

24. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	1,191,715	(133,562)	(159,368)	898,785
Designated Funds				
Westgate Chambers Lease and Maintenance	100,000	(72,262)	72,262	100,000
School for Social Entrepreneurs Development	35,000	-	(35,000)	-
Action Hampshire Business Development	50,000	-	-	50,000
Fair Value reserve	1,035,306	238,651	-	1,273,957
Pension reserve	(2,212,000)	626,000	-	(1,586,000)
	200,021	658,827	(122,106)	736,742
Restricted funds				
Rural Community Action Network	-	4,483	-	4,483
VCSEP	4,750	-	-	4,750
Fratton Big Local	64,068	(41,722)	-	22,346
COMF	16,835	(16,835)	-	-
HIVE NHS First Responders	1,546	(1,546)	-	-
Solent LEP	11,825	(11,825)	-	-
Scottish & Southern Electricity Network	9,000	(8,560)	-	440
Hampshire Homes Hub	49,797	(133,535)	83,738	-
School for Social Entrepreneurs	-	(40,180)	40,180	-
HIVCA	-	15,657	-	15,657
Hampshire Rural Forum	-	575	-	575
Power to Change	-	1,812	(1,812)	-
HIWCF Strategic Digital Funding	-	16,734	-	16,734
	157,821	(214,942)	122,106	64,985
TOTAL FUNDS	<u>357,842</u>	<u>443,885</u>	<u>-</u>	<u>801,727</u>

Community Action Hampshire

Notes to the Financial Statements - continued for the Year Ended 31 March 2023

24. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	164,484	(298,046)	-	(133,562)
Designated Funds				
Westgate Chambers Lease and Maintenance	92,633	(164,895)	-	(72,262)
Fair Value reserve	-	-	238,651	238,651
Pension reserve	-	(135,000)	761,000	626,000
	257,117	(597,941)	999,651	658,827
Restricted funds				
Rural Community Action Network	46,095	(41,612)	-	4,483
VCSEP	17,500	(17,500)	-	-
Fratton Big Local	52,723	(94,445)	-	(41,722)
COMF	-	(16,835)	-	(16,835)
HIVE NHS First Responders	(9,000)	7,454	-	(1,546)
Solent LEP	26,100	(37,925)	-	(11,825)
Scottish & Southern Electricity Network	-	(8,560)	-	(8,560)
Hampshire Homes Hub	19,866	(153,401)	-	(133,535)
School for Social Entrepreneurs	37,353	(77,533)	-	(40,180)
Wessex Cancer Alliance	179,091	(179,091)	-	-
HIVCA	25,000	(9,343)	-	15,657
Hampshire Rural Forum	5,300	(4,725)	-	575
Catalyst Digital	10,000	(10,000)	-	-
Power to Change	-	1,812	-	1,812
HIWCF Strategic Digital Funding	-	16,734	-	16,734
	410,028	(624,970)	-	(214,942)
TOTAL FUNDS	667,145	(1,222,911)	999,651	443,885

Purposes of restricted funds:

Hampshire Rural Forum

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

Power To Change

Funding to run the Community Business Trade Up programme.

Wessex Cancer Alliance

Funding to cover a social capital project to raise awareness of signs and symptoms of cancer, cancer screening and support early diagnosis within local communities

Fratton Big Local

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

Rural Community Action Network

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

School for Social Entrepreneurs

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

VCSEP

NAVCA -VCSEP Local Infrastructure Network Grant to support Action Hampshire's liaison role with the National Emergency Partnership.

Community Action Hampshire

Notes to the Financial Statements - continued **for the Year Ended 31 March 2023**

24. MOVEMENT IN FUNDS - continued

COMF

Covid Outbreak Management Fund grant to focus on assessing impact of Covid on the Sector and its capacity to support the recovery.

HIVE NHS First Responders

Grant from the NHS to carry out research into volunteering during the pandemic in wider Hampshire. Action Hampshire have been commissioned to liaise with all the CVSs across Hampshire, Southampton and IOW to get data from their volunteer centres.

Solent LEP

Provision of Action Learning facilitators for the Solent LEP Peer to Peer Network Programme.

Scottish and Southern Electricity Network

Providing free, accessible and practical information to assist with day to day budgeting, saving money, saving energy and staying safe easier to understand.

HIWCF Strategic Digital Funding

Delivery of training, workshops and coaching aiming to build digital capacity in the sector.

Catalyst Digital

Developing 'digital' expertise within Action Hampshire.

Hampshire Homes Hub

Funding received from the Community Led Homes Enabler Hub Programme, funded by Ministry of Housing, Communities and Local Government's (MHCLG) Community Housing Fund.

ICS Rend

Funding to support the ICS area Hampshire & Isle of Wight to be part of the Embedding the VCSE sector in ICS programme.

NIHR Greening for Wellbeing

Grant payment for Action Hampshire to deliver Greening for Wellbeing; looking at impact measurement of green/nature activities with underserved communities, including onward grants to VCSE organisations.

Accelerating Women in Enterprise

Funding from the School for Social Entrepreneurs, plus match funding, to accelerate women in enterprise.

Tackling Loneliness

Delivery of Communities Tackling Loneliness with Transport in Hampshire project

Purposes of designated funds:

Westgate Chambers Lease & Maintenance

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

Action Hampshire Business Development

Funding to support the development of new business initiatives at Action Hampshire, this was delayed due to COVID and is planned to be spent over the next two years.

School for Social Entrepreneurs Development

Funding to support the 5 year contract period of the School for Social Entrepreneurs Hampshire.
Transfers between funds

3 year strategy

Funding to provide towards the cost of investment in business development and operational costs particularly over the first two years, and significant changes at the organization relating to pensions, digital tools and business development.

Community Action Hampshire

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

25. EMPLOYEE BENEFIT OBLIGATIONS

The disclosures below relate to the funded liabilities within the Hampshire County Council Pension Fund (the Fund) which is part of the Local Government Pension Scheme. Action Hampshire participates in the Fund which up to 31 March 2014 provided defined benefits based on members' final pensionable salary. From 1 April 2014 the scheme provides benefits based on members' career average salary, with preserved rights for benefits earned under the final salary provisions.

Membership of the Local Government Pension Scheme was open to all the charity's existing employees as at 31 December 2018, new employees from 1 January 2019 are eligible to join the NEST pension scheme. The employer's contribution to the LGPS for 2022/23 is 21.8%, and the employee's contribution is between 5.5% and 8.5% of gross salary. All contributors to the LGPS receive regular information from the Hampshire Pension Fund.

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

Post balance sheet event

Subsequent to the year end the charity negotiated that all 7 members of staff would leave the Hampshire County Council Pension Fund, which is part of the Local Government Pension Scheme (LGPS) on 31 August, and would transfer into the NEST pension scheme. The charity is currently waiting to hear from the LGPS whether there is an exit fee from the scheme. The charity has received an Indicative Exit Valuation from Hampshire Pension Services which worked to an assumed exit date of 1 July 2023. This valuation report shows a small surplus in the scheme for CAH as at 31 July 2023 of £0.182m. The pension service has confirmed that in the event of an actual exit, any surplus would be retained in the Fund, in line with the subsumption commitment in place and provided by Hampshire County Council.

Contributions for the year ending 31 March 2023

The Employer's regular contributions to the Fund for the accounting period ending 31 March 2023 are £54,000 (2022 £72,000). At 31 March 2023 outstanding contributions were £Nil (2022 £Nil).

The charity also makes payments to NEST, a defined contribution scheme. The costs for the period was £8,608 (2022: £9,611). At 31 March 2023 outstanding contributions were £1,986 (2022 £Nil).

	Defined benefit pension plans	
	2023	2022
	£	£
Fair value of assets	5,164,000	5,740,000
Present value of defined benefit obligation	(5,372,000)	(7,326,000)
	<u>(208,000)</u>	<u>(1,586,000)</u>

The amounts recognised in the Statement of Financial Activities are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Current service cost	129,000	156,000
Net interest from net defined benefit asset/liability	42,000	46,000
Past service cost	-	-
	<u>171,000</u>	<u>202,000</u>
Actual return on plan assets	<u>(599,000)</u>	<u>275,000</u>

Community Action Hampshire

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

25. EMPLOYEE BENEFIT OBLIGATIONS - continued

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Opening defined benefit obligation	7,326,000	7,645,000
Current service cost	129,000	156,000
Contributions by scheme participants	15,000	20,000
Interest cost	195,000	159,000
Actuarial losses/(gains)	-	(486,000)
Benefits paid	(198,000)	(168,000)
Remeasurements:		
Actuarial (gains)/losses from changes in demographic assumptions	(30,000)	-
Actuarial (gains)/losses from changes in financial assumptions	(2,316,000)	-
Actuarial (gains)/losses from changes in liability experience	251,000	-
	<u>5,372,000</u>	<u>7,326,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Opening fair value of scheme assets	5,740,000	5,433,000
Interest income	153,000	113,000
Contributions by employer	53,000	67,000
Contributions by scheme participants	15,000	20,000
Actuarial gains/(losses)	(599,000)	275,000
Benefits paid	(198,000)	(168,000)
	<u>5,164,000</u>	<u>5,740,000</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2023	2022
	£	£
Actuarial (gains)/losses from changes in demographic assumptions	30,000	-
Actuarial (gains)/losses from changes in financial assumptions	2,316,000	-
Actuarial (gains)/losses from changes in liability experience	(251,000)	-
Actuarial gains	-	486,000
Asset gains(losses)	(599,000)	275,000
	<u>1,496,000</u>	<u>761,000</u>

Community Action Hampshire

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

25. EMPLOYEE BENEFIT OBLIGATIONS - continued

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2023	2022
Equities	57.60%	55.70%
Government Bonds	16.50%	18.00%
Property	6.80%	6.90%
Multi Asset Credit	-	9.20%
Cash	1.10%	0.90%
Other	<u>18.00%</u>	<u>9.30%</u>
	<u>100.00%</u>	<u>100.00%</u>

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2023	2022
Discount rate	4.70%	2.70%
Future salary increases	3.70%	4.00%
Future pension increases	2.70%	3.00%
CPI inflation	2.70%	3.00%
Pension accounts revaluation rate	2.70%	3.00%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 March 2023	At 31 March 2022
Current pensioners		
Males	23.3 years	22.9 years
Females	25.7 years	25.4 years
Future pensioners*		
Males	23.8 years	24.7 years
Females	26.7 years	27.1 years

* Figures assume members aged 45 as at the last formal valuation date.

26. RELATED PARTY DISCLOSURES

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

Julie Amies, a Trustee appointed in October 2019 is CEO of Energise Me, a charity which has rented 2 rooms in Westgate Chambers from March 2018. Rental income received from Energise Me during the year end 31 March 2023: £32,400 (2022: £32,400).

27. POST BALANCE SHEET EVENTS

Information regarding the exit of the defined benefit pension scheme is given in note 25.

Community Action Hampshire

Notes to the Financial Statements - continued
for the Year Ended 31 March 2023

28. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(670,905)	(317,115)
Adjustments for:		
Losses/(gain) on investments	87,941	(238,651)
Interest received	(64,820)	(73,378)
Increase in provision	150,000	-
(Increase)/decrease in debtors	(54,657)	121,745
Increase/(decrease) in creditors	67,239	(213,896)
Difference between pension charge and cash contributions	<u>118,000</u>	<u>135,000</u>
Net cash used in operations	<u><u>(367,202)</u></u>	<u><u>(586,295)</u></u>

29. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank and in hand	<u>120,165</u>	<u>(44,802)</u>	<u>75,363</u>
	<u>120,165</u>	<u>(44,802)</u>	<u>75,363</u>
Total	<u><u>120,165</u></u>	<u><u>(44,802)</u></u>	<u><u>75,363</u></u>