

ACTION WITH COMMUNITIES IN RURAL ENGLAND (ACRE)

England & Wales · Charity number 1061568

Details

Other names ACRE

Status Registered

Legal form Charitable company

Company number [03336101](#)

Registered 1997-03-26

Register [View on the Charity Commission register](#)

Contact

Address PO Box 7195
Shipston on Stour
CV37 1XY

Phone 01285653477

Email contact@acre.org.uk

Website www.acre.org.uk

Activities

Objects: TO PROMOTE ANY CHARITABLE PURPOSE TO IMPROVE THE CONDITIONS OF LIFE OF PEOPLE AND COMMUNITIES IN RURAL AREAS IN ENGLAND AND WALES.

Activities: Strategic influencing role on behalf of rural communities. Performance improvement work with members. Improving the visibility of rural needs through policy development and research. Continuing to support the ACRE Network and rural practitioners through networking, best practice sharing and learning.

Classification

- **How:** Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Prevention Or Relief Of Poverty, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** ENGLAND AND WALES.
- Throughout England

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£5,033,650	£5,072,463	£574,398	5
2024-03-31	£4,657,150	£4,498,406	£613,211	3
2023-03-31	£1,988,270	£2,379,956	£454,467	3
2022-03-31	£2,084,193	£2,913,647	£846,153	3
2021-03-31	£2,119,636	£3,335,775	£1,675,607	3

Trustees

Name	Role	Appointed
Andrea Caroline Graham		2024-11-27
Caroline Jane Cotterell		2024-11-27
Francis James Park Webster		2018-11-27
Garry Jones		2023-11-29
Gavin Parker		2023-02-22
James Murray Blake		2022-11-24
Nora Theresa Corkery		2026-01-10
Rita Lawson		2026-01-10
Sally Jane Dominique Colthup		2024-02-23
Sharon Afran Davis		2024-11-27

ACTION WITH COMMUNITIES IN RURAL ENGLAND (ACRE)

England & Wales - Charity number 1061568

Accounts

Company no. 3336101
Charity no. 1061568

**Action with Communities in Rural
England**

Report and Audited Financial Statements

31 March 2025

Action with Communities in Rural England

Reference and administrative details

For the year ended 31 March 2025

Status	The organisation is a charitable company limited by guarantee, incorporated on 19 March 1997 and registered as a charity on 26 March 1997.	
Governing document	The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.	
Company number	3336101	
Charity number	1061568	
Registered office and operational address	2 The Quadrangle Banbury Road Woodstock Oxfordshire OX20 1LH	
Honorary officers	James Blake Helen Susan Dovey Gavin Parker	Chair Vice Chair Vice Chair
	A full list of the trustees serving during the year and up to the date of this report can be found on page 17.	
Executive director	Richard Quallington	until 28 May 2024
Chief executive	Corinne Pluchino	from 29 May 2024
Company secretary	Corinne Pluchino	from 29 May 2024
Bankers	Lloyds plc 14 Castle Street Cirencester Gloucestershire GL7 1QJ	
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ	
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD	

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2025

The trustees present their report along with the financial statements of the charity for the year ended 31 March 2025.

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 and the Statement of Recommended Practice - Accounting and Reporting by Charities (effective from January 2019).

ACRE's purpose and vision

ACRE is the only national charity focused on promoting, supporting and enabling rural communities in England. Our objects are to promote any charitable purpose to improve the conditions of life of people and communities in rural areas in England and Wales. More specifically our mission is to work with its 38 members and other key stakeholders to evidence and address need, to inform and to influence at a national level, speaking up as the voice of rural communities across England.

ACRE's beneficiaries are at the heart of all our work. We are dedicated to people who live in rural communities across England, particularly those who are facing the greatest needs and challenges as a result of where they live. We do not represent a specific group or sector – we are dedicated to rural communities as a whole. We work closely with our network of member organisations, consisting of 38 member charities who are active in rural areas across England, and which between them have many decades of experience of enabling and supporting local communities on the ground to seize opportunities and address unmet need.

Our vision is rural communities that are thriving, inclusive and sustainable, with the support they need to ensure equitable outcomes for everyone.

Our vision is underpinned by behaviours which support five values:

- Responsive – responding and listening to the needs of members and beneficiaries;
- Innovative – testing and developing new approaches;
- Collaborative – working with others to achieve results for our members and beneficiaries;
- Empowering – enabling members and rural communities to take action; and
- Solution focused – achieving results that make a difference.

Our priorities

ACRE reviews its strategic priorities, aims and objectives on a regular basis as part of the business planning cycle. The current three-year corporate plan 2022-25 came to an end in March 2025. This report focuses on the main achievements of the final year of the plan.

We began work on our new strategy for 2025-30 in autumn 2024 and launched it in July 2025. The key themes began emerging early in the process and we have been using the last twelve months to enable us to transition to our new ambitions and ways of working.

Our work in 2024/25 has been focused on three core areas:

- Gathering evidence and conducting research to better understand rural communities;
- Articulating a voice for rural communities at the national level and influencing decisions that impact on rural communities; and
- Delivering programmes with our members which directly improve the lives of our end beneficiaries and increase the resilience of rural communities.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2025

As the national body of the ACRE Network, ACRE also supports its member organisations to build their capacity and resilience so that they can respond to the needs of rural communities, enable them to take action and support those in greatest need.

Key workstreams

ACRE's day to day activities during the last year of our three year corporate plan have largely been focused on four areas:

1. Policy, advocacy and influencing;
2. Enabling local communities and addressing unmet need;
3. Profile and engagement; and
4. Working in partnership.

Last year was an exceptionally busy period for ACRE and one of significant change both in and outside the organisation. We continued our work across all our workstreams, ensuring that in doing so we were responding to these changes while deploying our resources effectively and efficiently. The key highlights can be found in the next section.

Our funders and sponsors

Our work is made possible by the engagement and generosity of our funders and sponsors. We are extremely grateful to the following for their financial support during the year:

- ACRE members
- Department for the Environment, Food & Rural Affairs (Defra)
- Environment Agency
- Hallmaster
- Norris and Fisher
- Utility Aid

We are also very grateful to the supporters of our annual Village Hall Advisers Event, without whom the event would not be possible: Utility Aid, Hallmaster, Zolb EV, SRS Ltd, ARC Thermal, Total Floor Care and Creative Spark.

How our activities deliver public benefit

ACRE's charitable activities are to alleviate rural disadvantage in rural communities throughout England through its activities and achievements, a sample of which are set out below. The Trustees have paid due regard to the Charity Commission guidance on public benefit in deciding activities the charity should undertake.

ACRE's Key Activities, Outputs and Outcomes in 2024-25

Introduction

The last twelve months have been a period of considerable change for ACRE, internally and externally, and for our members and beneficiaries. Internally we welcomed our new Chief Executive, Corinne Pluchino, who joined ACRE in May following the retirement of Richard Quallington. As Executive Director Richard led ACRE with immense skill and commitment for nine years. We were delighted when he was awarded an OBE in the King's New Year Honours list for services to rural communities in December 2024. It was also a year when ACRE's income continued to increase, from £4.65m in 2023/24 to £5.03m in 2024/25. Over 85% of this figure was distributed to the ACRE network and directly to rural communities, to enable activity in local areas and support those in greatest need. Further details about developments within ACRE and our impact can be found below.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2025

Policy, advocacy and influencing

The new Labour Government, elected in July, announced an ambitious programme for growth and launched a wide-ranging policy review designed to deliver its five missions. This had the potential to impact both positively and negatively on nearly every aspect of rural life, including housing, land use, local government reorganisation, transport, energy and healthcare. We were delighted to have the opportunity to brief the Minister for Food Security and Rural Affairs, Daniel Zeichner MP, in person when he visited ACRE members to see their work at first hand in Warwickshire in February and Cambridgeshire in March 2025.

We welcomed the Government's commitment in its manifesto to create wealth in every community and to empower local areas. We allocated significant resources during the year to contribute to the policy making process and to ensure the rural voice was heard and better understood. We were concerned, and remain concerned, that one of the greatest challenges rural communities face is that they will be overlooked by policy makers, and opportunities will be lost to ensure that they can benefit from, and contribute to, the growth agenda.

We made submissions to 16 consultations, which included:

- Proposed changes to the National Planning Policy Framework (NPPF) – We made the case for rural affordable housing that meets local needs, both in order to support sustainable local communities and encourage economic growth. We also called for the definition of “affordable” to be reviewed so that it reflects the reality of local incomes rather than national demand;
- Energy policy and the transition to net zero – We highlighted the continued vulnerability of power supplies in many rural areas. We also stressed the enormous potential for communities to install and benefit from renewable alternatives, but the need to ensure that energy infrastructure and networks have the capacity to support new community generation;
- Community benefits relating to electricity transmission – We engaged in discussions with Government about the impact that new transmission infrastructure is going to have on rural communities and how this can be mitigated appropriately. We argued that measures should be put in place to ensure rural communities as a whole have the chance to benefit in the long-term from the development of new infrastructure, and not just individual homes that will receive reduced electricity bills for a limited period only. This is a rare opportunity to secure funds for local communities that should not be lost and could leave a lasting positive legacy; and
- Integrated national transport – We argued that the strategic approach to rural transport must be based on a commitment to reasonable equity in access to, and cost of, public transport for people living in rural areas. We supported the Government's plans to improve the incentives for better bus services, and proposed that if there is insufficient public funding to overcome rural market failure, equity will have to be achieved through economies of scale that strategically link rural areas with urban ones and provide cross-subsidy.

We have also contributed evidence to enquires ranging from the future of the universal postal service to the future of social housing rent policy to competition in the road fuel market.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2025

We achieved definitive progress in several areas:

- Two years of gentle but persistent campaigning in relation to “Martyn’s Law” paid off in 2024. While we strongly supported the overarching objectives of the Terrorism (Protection of Premises) Bill, we were concerned that it might have a disproportionate impact on small, remote premises such as village halls and other rural community buildings. We were very pleased to be called to give evidence to the Bill Committee, given our expertise in this area, and welcomed the Government’s decision to raise the threshold of premises included in its provisions so as to exclude all but the largest village halls. We are now awaiting guidance on the new Act;
- Working with other charity networks and advisors, we campaigned to improve the poor deal that many charities have been receiving from the banking sector. This resulted in an unprecedented letter from the Chief Executive of the Charity Commission, addressed to all the leading banks and to the Government, calling for improvements to be made. In 2025 the Government reacted with new rules to prevent the 'de-banking' of organisations; and
- We brought together a wide partnership of rural, housing and homelessness organisations to challenge the definition used by the Government for ‘affordable’ housing and achieved a broad consensus that the current definition of 80% of market prices is inappropriate in many rural areas. Unfortunately, despite the breadth of support for a new approach, we were not successful in achieving change on this occasion. The campaign will continue. However, we were very pleased to work with such a diverse group of organisations so closely for the first time.

Enabling local communities and addressing unmet need

ACRE has a long history of enabling local communities through its network of member charities. We provide advice and guidance at national level to support our members’ work at local level and help to manage and deliver nationally funded programmes that are delivered locally. In 2024-25 ACRE distributed 85% of £5m through several funds provided by Defra, which were dispensed to the ACRE network to deliver specific activities in rural communities, or directly to fund developments and refurbishments in village halls and community buildings, totalling nearly 500 individual payments.

The Rural Housing Enabler (RHE) Programme – The RHE Programme completed its first full year in 2024-25. Funded by Defra, the programme was originally launched in 2023 to build RHE capacity across England in order to support the delivery of affordable housing to meet local needs. RHEs are affordable rural housing specialists, who focus on engaging local communities, bringing key stakeholders together, and helping to identify solutions and drive developments forward to completion.

ACRE was appointed by Defra to co-ordinate and manage the programme. It is delivered through our network of member organisations in 34 counties across England, which delivered activities to meet the specific circumstances in their local areas. The total fund available in 2024-25 was £2.23M of which £2.03M was distributed to the network locally. The remainder funded a programme of training, support and development, plus rigorous quarterly reporting, which was delivered by ACRE. We also commissioned an independent evaluation from CCRI, the Countryside and Community Research Institute, which is due to report in 2025. By the end of March 2025, 307 housing needs surveys or other forms of secondary data evidence had been collected to help identify local needs, and 2,210 affordable homes were in the delivery pipeline.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2025

Supporting Village Halls and Community Buildings – There are over 10,000 village halls in England, the vast majority of which are run by volunteers committed to providing a place where local people can meet, build relationships and access important services. Over recent years we have seen village halls support an increasingly innovative and diverse range of facilities, many of which are designed to address urgent unmet needs. These range from warm hubs in winter for individuals experiencing fuel poverty, to groups designed to combat loneliness, to advice services on accessing health and social care.

ACRE's Village Halls Service operates by supporting our network colleagues, based at county level, who in turn work with local community buildings. We provided ad hoc advice and support, issued guidance on governance and management issues, and monitored and contributed to public policy and legislative changes that might impact village halls.

In addition to our work on the Terrorism (Protection of Premises) Bill mentioned above, we hosted three meetings for hall advisers so they could share experiences and best practice, and a successful residential training event attended by 36 advisers in April 2024. We completed proposed revisions to the model governing documents and internal guidance, with a focus on disposal of charity land and property, which also covered a wide range of other small updates. We await final approval from the Charity Commission.

We continued to provide support on energy efficiency and the transition to net zero and responded to a consultation on 'Reforms to Energy Performance of Buildings' from the Ministry of Housing, Communities and Local Government. We also provided updated briefings on waste recycling policy, insurance and fire safety in Village Halls. These are vital but often forgotten aspects of running a safe, quality community space.

ACRE also worked with our member in Cumbria, Action with Communities in Cumbria, and architect Ben Stagg to produce the Guide to Surveys. We are very grateful to the National Lottery Community Fund (NLCF) for supporting this activity through an initiative of the 'Northumberland, Durham and Cumbria Community Places' project.

Funding for Village Halls – ACRE also continued to manage several schemes funded by Defra designed to enable village halls to access capital funding. The largest of these was the Platinum Jubilee Village Halls Fund which completed its second full year in 2024-25. ACRE was appointed to manage and distribute the fund when it was first announced in 2023 and it continued to run smoothly last year. Three hundred applications were received and 112 grants awarded following a rigorous review process by an independent awards panel. As a result, the fund closed for the year having awarded £1.18m of the £1.25m available for the financial year. We were delighted to learn in February 2025 that the fund would be extended for another year, with £750K available for applications in 2025-26. ACRE has again been appointed to manage this process.

ACRE also administers The Rural Community Buildings Loan Fund on behalf of Defra. In 2024-25 it offered eight new loans totalling £233,767. This supported total project costs of £1,072,409. There are 32 village halls currently in the process of repaying their loans. The loan repayments need to be set up and monitored each month. ACRE provides support for loan recipients and reports quarterly to Defra.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2025

Defra Local Action Grant – ACRE and the ACRE network were awarded funding by Defra in 2022-23 to enable ACRE members to help support the delivery of government priorities in rural communities ranging from building digital inclusion to social infrastructure to supporting the transition to net zero. This builds on funding awarded in previous years. In 2024-25 ACRE received £1.71m, of which £1.63m was distributed to its members. An important outcome of this funding is that it enables ACRE members to engage in discussions at a strategic level locally on the issues impacting rural communities, as well as using the resources on specific issues and projects. This in turn enables ACRE to collect quantitative and qualitative data from the front line which can be used to inform national policy making. We were delighted to learn in February that funding had been continued for 2025-26. We are very aware however, of the extremely challenging funding environment being experienced nationally and locally and are awaiting news of the outcome of the Spending Review in 2025. The outcome will be critical for rural communities across England and the ability of ACRE and the ACRE Network to help ensure their voice is heard over the next three years.

Profile and engagement

Our key publication of last year was *No Rural Community Left Behind*: our recommendations for the new government. Published in May 2024, it was sent to prospective parliamentary candidates in every county of England through our network of members and formed the basis of our conversations with the newly elected Government. After the election we focused our external communications on building relationships with the new Government and Parliament and key stakeholders who share our ambitions and values.

Village Halls Week 2025 began on 17 March and the theme was volunteers. We focused on the invaluable role that these venues play in connecting people, and on the volunteers who work tirelessly behind the scenes to maintain and manage them. Celebrations for the week included the launch of *Halls for All: A History of Village Halls*, written by Louise Beaton and David Clark with a foreword by The Princess Royal (sponsored by Carnegie UK). We also invited hall committee members to recognise individual volunteers in an online Volunteer Gallery. Two hundred and fifty packs of bunting, badges and posters were distributed and ACRE joined Leicester local radio for a discussion on the value of halls to their community.

We were very pleased to be invited to contribute to BBC Radio 4's *Farming Today* to share our views on the new NPPF and the future of housing development, and to speak at the National Landscapes Association annual conference in July 2024 on the theme of rural communities in the landscape. We began a review of our core communications messages and collateral, which we will be developing further to align with our new strategy, and updated our social media policy to reflect changing good practice.

Working in partnership

A key feature of our corporate plan is the importance of working in partnership and building alliances to help deliver our objectives. We continued to work closely with the Defra Rural Affairs Team, both to share the experiences and insights from our network and to contribute to national policy discussions and consultations. We value this relationship and the opportunity it brings for dialogue on a wide range of issues.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2025

We continued to provide the secretariat for, and to be an active member of, the Rural Coalition. The Rural Coalition comprises twelve national organisations who subscribe to a vision for a living and working countryside in England. A key focus for the coalition last year was the launch of Reigniting Rural Futures: rural communities' capacity to boost economic growth. ACRE worked with other members to commission the report from Pragmatix Advisory which was launched in September 2024.

The report highlights the critical need for focused investment and policy changes to bridge the productivity gap between rural and non-rural areas. It showed that with the right policy framework, the rural economy could increase productivity significantly, leading to an additional £9-19 billion per year in tax revenues. This growth would not only support rural communities but also have far-reaching benefits for the national economy, helping to fund essential public services and drive broader economic initiatives. We worked with coalition members to promote the report's findings throughout the year.

We were also invited to be one of six members of the **Rural Flood Resilience Partnership (RFRP)**. Launched in September 2024, it was established to improve collaboration, deepen understanding of vulnerabilities, and support rural communities and agricultural businesses in building their resilience to present and future flood risks and coastal erosion. The other members are the Environment Agency, National Farmers Union (NFU), Association of Drainage Authorities (ADA), Country Land and Business Association (CLA) and Natural England. ACRE's role is to represent rural communities and to share information and resources with our members.

Our key achievements over the period included setting up a community of practice, to bring ACRE members together to share case studies and good practice and seek views and experiences to feed back to national partners. We also started work to explore how Parish and Town Councils can be better supported to consider flood resilience when working with local communities, including writing Neighbourhood Development Plans. We also took part in initiatives to promote the RFRP with other member bodies to raise awareness of its work and increase its potential impact.

In addition we were invited to join the **National Energy System Operator (NESO) Advisory Forum** to represent rural communities. We worked closely with NAVCA to explore the impact of the devolution agenda on rural communities and local infrastructure and voluntary organisations. We also engaged with a wide range of other third sector partners over the last year which are too numerous to list here. We would like to thank them all for their generous support and willingness to collaborate with us.

Support for ACRE members

The ACRE network is integral to our work and the priorities we set ourselves. Our members' knowledge and experience on the ground give us a unique insight into what is really going on in rural communities, and we are able to draw on this when we engage with policy makers, advisers and stakeholders. All of our activity is designed to support them and their beneficiaries, as well as our own, both directly and indirectly.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2025

In addition to the work programmes outlined above, we continued to provide ongoing support in a wide selection of areas, ranging from policy briefings and analysis to supporting local parliamentary engagement to convening online and in person meetings for our members so they could share insights and best practice. We also provided ad hoc advice on governance and management issues. In October 2024 we joined with ACRE colleagues to arrange the ACRE Chief Executives' annual conference on the theme of Balancing Ambition and Resilience.

One of the key issues emerging for our network is the impact of the Government's devolution and local government reorganisation agenda. We developed a workstream specifically designed to examine the strategic opportunities and challenges both for our members, and rural communities, from these changes. This work will continue in 2025-26.

ACRE's governance and development

ACRE began work on its new strategy for 2025-30, Rural Ambition: enabling communities to thrive, in the autumn of 2024. It is designed to ensure that ACRE is able to maximise its impact during what is likely to be a continued period of rapid and often unpredictable external change, but also where there is clear opportunity to promote and unleash the potential of rural communities. We also wish to build our own resources and increase our resilience so that we can support our members more effectively to do the same.

We have also seen changes to our Trustee Board. Louise Beaton and Ivan Annibal completed their final terms and stood down from the Board at the AGM in November 2024 after many years of dedicated service. We are very grateful to them. As reported last year, we also appointed three new trustees following a competitive external process. We were delighted to welcome Caroline Cotterell CBE, Sharon Davies and Andrea Graham formally to the Board in November at our AGM.

ACRE conducted a governance review in 2023-24 and we continued to implement the recommendations for action. This included strengthening our financial governance by establishing a Finance Sub-Committee of the Board. We also conducted a review and update of our financial policy and procedures and began work on updating our employee handbook and policies. We have also committed to introducing a new performance management process in 2025-26, to enable team members to set their objectives and identify the training and development they need to support their work more clearly.

The Trustees would like to end their report with two items of thanks. Firstly, to our funders for their continued support for our work with rural communities across England, without which this vital activity could not continue. Secondly, to the ACRE team members, for their ongoing focus and hard work during a year of great change, and without whom ACRE would not be able to deliver its objectives for its beneficiaries or its members. Thank you to them all.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2025

Financial review

Basis of preparation

- The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities;
- Incoming resources are recognised once the charity has entitlement to the resources, it is certain the resources will be received, and the monetary value of the incoming resources can be measured with sufficient reliability;
- Resources expended – liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category; and
- Grants payable are payments made to third parties in furtherance of the charitable objectives of the charity.

The directors report a net decrease in total resources of £38,813 (31 March 2024 a net increase of £158,744). The closing fund balances at the 31 March 2025 were £574,398.

The net decrease of £38,813 can be explained by looking at unrestricted and restricted funds separately:

- Unrestricted funds ended the year with a surplus of £51,639.
- Restricted funds ended the year with a deficit of £90,452. This deficit reflects cashflow timing with prior year funds held now fully paid out.

The statement of financial activities (SOFA) shows that the total incoming resources for the year were £5,033,650 compared with £4,657,150 for the previous year.

During the year ACRE received £4,364,759 restricted income and £668,891 unrestricted income. A list of the restricted funds is included in note 18. All incoming resources for the year have been secured specifically to advance the charity's strategic objectives.

Reserves policy

The directors consider that the level of unrestricted reserves should be sufficient to invest in essential capacity during short-term funding shortfalls, allow time for reorganisation in the event of a longer-term downturn in income, protect ongoing work programmes and allow ACRE to meet its legal requirements. Our current policy states that the target level for unrestricted reserves is £171,081 which is the equivalent of three months of the charity's general expenditure budget plus an allocation to allow for longer-term liabilities and contingencies and an additional element to support ACRE's research and development objectives and transformational change. Directors confirm that ACRE is in compliance with the agreed reserves policy. We will be reviewing our policy during 2025-26 following publication of our new strategy.

The directors can also designate other unrestricted funds to ensure that ACRE can continue to operate effectively, meeting its anticipated liabilities and the development needs of the wider ACRE Network as it continues to focus on enhancing outcomes for end beneficiaries.

At 31 March 2025, the total reserves were:	£574,398
Restricted funds:	£37,726
Designated funds:	£24,878
General funds:	£511,794

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2025

Principal funding sources

ACRE's principal funding for 2024-25 came from a number of sources:

- 'A grant in aid' agreement from Defra, over 95% of which was directly allocated to local organisations to deliver work at a county level;
- Membership fees paid by the ACRE members. This funding was used to support ACRE's key themes of activity;
- Rural Housing Enabler Programme funded by Defra, over £2.2M available during 2024-25; and
- Platinum Jubilee Village Hall Fund Programme funded by Defra, £1.18m allocated to support village halls.

Key objectives for 2025-26

Our new strategy, Rural Ambition: enabling communities to thrive, builds on ACRE's work of the last five years but also marks a change in focus and pace. It has been published at a time of immense economic, societal and environmental flux, but is optimistic and ambitious because we believe there are opportunities as well as unresolved challenges. We will focus on the most important issues facing rural communities, speaking up more boldly, building new alliances and working more actively with our network to make an even greater impact. We are also clear that we need to be a resilient organisation if we are going to be successful, and the collective power of our network is essential to achieving our goals.

Our new strategy, which was published in the summer of 2025, sets out a clear theory of change and ambition for the period: **by 2030 we will have helped to improve the quality of life for rural communities and supported those in greatest need.** In order to deliver this we will focus our external activities in three areas during our strategy period:

- Campaigning: We will raise awareness and understanding of rural issues and work to ensure public policies support thriving rural communities;
- Enabling: We will increase the opportunities for rural communities to make their voice heard and take action to shape their future; and
- Unlocking: We will ensure equitable access to investment, essential services and opportunities for growth – particularly for those most in need.

To deliver our overarching ambition we need to ensure that we are resilient, capable and adaptable. We have identified four pillars to shape the way we work internally, to ensure we have a solid foundation for our strategy. They will ensure that we have the right resources, a resilient network and compelling communications. We will:

- Create a robust financial model so that we can plan for the long-term, develop our organisation and take advantage of opportunities to increase our impact;
- Work with our members in new ways so that we can increase our collective impact and enable rural communities to flourish;
- Invest in raising the profile of rural communities and focus on the issues where we can make the biggest difference; and
- Build new relationships and alliances so that we can achieve more change, more quickly.

The strategy will be underpinned by an annual business plan setting out operational objectives for the year, which in turn will inform team member objective setting and performance management. The first year of the strategy, 2025-26, is a foundational year which will help us to put the structures, skills and capacity in place to deliver our ambitions.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2025

Funds held as custodians

Defra investment in the ACRE Network

A further year of investment to enable the ACRE Network to deliver support to rural communities within the key Defra priority themes was secured. The investment in support of rural communities through ACRE members amounted to £1,633,000 during the year. ACRE, as the national umbrella body of The ACRE Network, was the accountable body for these funds.

ANPAC

ACRE has held funds on behalf of the National Parks Residents Association (ANPAC) for use only as designated by them. The Association did not draw down from this fund during 2024-25.

Rural Communities Buildings Loan Fund

ACRE administers the Rural Communities Buildings Loan Fund on behalf of Defra. This fund previously known as the Village Hall Loan Fund has been in existence since the 1930s.

Rural Coalition

ACRE undertakes the secretariat for the Rural Coalition. The funds from the Rural Coalition are carried forward to activity planned for 2025-26.

Platinum Jubilee Grant Fund

ACRE administers the Platinum Jubilee Village Hall Grant Fund on behalf of Defra.

Structure, governance and management

Organisational structure

Action with Communities in Rural England (ACRE) is a company limited by guarantee (number 3336101) with a Board of Directors elected at general meetings by its 38 members, and in accordance with the Articles of Association adopted on 18 June 2014 and amended on 29 November 2016 and 27 November 2018.

Governance

The Board of Directors is responsible for the governance and the management of ACRE. The ACRE Board consists of not less than six but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The chair is elected at the AGM by the members. All directors have an induction into the organisation. In line with ACRE's governing documents the board is refreshed on a regular and systematic basis with members serving a maximum of seven years without a break of at least one year.

During the year all directors gave of their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity and any instances where directors have received benefit from the charity for specific services, as permitted under clauses 4 (2) and 4 (3), are set out in notes 6 and 22 to the accounts.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2025

Management

The Chief Executive retains responsibility for operational decisions and for delivering the organisation's strategic objectives and operational plan. The staffing structure has focused on retaining capacity to support the operational and leadership requirements of the organisation, as we move from one strategy period to the next, and in response to the retirement of some long-standing team members. Some changes have been made to roles and responsibilities within the team over the last twelve months to ensure we are ready to deliver our new strategy. As part of this process we have appointed some additional roles to the employee team, in place of external consultancy support, to ensure we have the capacity and expertise to deliver our strategy efficiently and effectively.

Risk management

The directors are committed to a regular review of the major strategic, business and operational risks which ACRE faces, with a view to ensuring that appropriate systems and procedures are in place to minimise these risks. In particular the risk of government reducing or ceasing its funded relationship with the ACRE Network is considered carefully by the ACRE board on a regular basis during the year and mitigating actions including identifying and exploring alternative sources of funding and developing new partnership arrangements with key stakeholders and the operation of Cirican (the ACRE Network's consultancy arm). Following discussion between the members of Cirican it has been decided to close the company as of the 31st March 2025. This and other risks to the fulfilment of ACRE's strategic priorities are kept under review by the directors via the risk register which is reviewed regularly.

The financial challenges originally occasioned by the pandemic have substantially given way to the current cost of living difficulties, inflationary pressures, and a very tight financial climate. Trustees have kept, and continue to keep, these additional pressures under constant review, especially so in relation to managing the risk to ACRE of staff turnover resulting in loss of capacity and skills to support the organisation and its work. However, the current remuneration policy and ongoing grant funding from Defra and other funders, combined with the current healthy level of unrestricted reserves, provides a reasonable level of confidence and reassurance that any challenges will have a manageable impact on the organisation's performance and longer-term financial position. In addition the need to ensure ACRE has a robust financial and organisational model was one of four essential supporting pillars identified in our new strategy and will be a key area of focus.

Register of interests

All Board members complete an annual declaration of interests in compliance with the Conflict -of -Interest Policy. This is updated as required during the year. Board members are required to declare any related interest in decisions at the start of all Board meetings, or thereafter if relevant topics arise.

Related parties and connected organisations

ACRE receives membership subscriptions from its members. In addition, ACRE works with members on joint initiatives. During 2024-25 a total of £1,633,000 was committed to members through the Defra/ACRE Investment Programme.

Whilst some of the directors elected are also directors or chief executives of ACRE members, within an ACRE context they have no influence over business transactions between members and ACRE.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2025

Remuneration Policy

ACRE recognises that the delivery of its mission and strategic priorities is largely dependent upon the skills, knowledge and experience of its staff. It is therefore committed to ensuring that the staff are provided with appropriate remuneration to encourage and enhance performance and, in a fair and responsible manner, are rewarded for their contributions to the success of the charity. The salaries of ACRE staff are reviewed on an annual basis in line with our policy. Directors consider this information alongside the affordability for ACRE to inform and adjust salaries and remuneration accordingly.

Where appropriate, ACRE employs freelance contractors to undertake specific activities for the organisation. These include policy and research, programme development, training, marketing and governance support. Directors ensure that whilst the associated remuneration is sufficient to attract individuals with the skills, experience and competencies required, rewards are also benchmarked against sector averages for similar activity and levels of responsibility.

Grant-making policy

ACRE administers grants on behalf of other charitable trusts and government organisations that further the charity's objectives. The grant-making processes are agreed with the funders from the outset. Grants are paid on respective merits and follow transparent and rational processes. ACRE's unrestricted funds are not used for grant-making purposes, unless by resolution by the directors. Arrangements are in place to segregate grant-making decisions ensuring conflicts of interests are avoided in the governance of ACRE.

Fundraising policy

ACRE does not engage in any direct fundraising from members of the public and does not employ fundraisers. However, the directors are aware of the fundraising requirements and the code of fundraising practice and ensure that the charity is compliant with the code in all its fundraising activities.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2025

ACRE members at 31 March 2025

Action with Communities in Cumbria	Cornwall Rural Community Charity
Action Hampshire	Devon Communities Together
Action in rural Sussex	Dorset Community Action
Bedfordshire Rural Communities Charity	Durham Community Action
Cambridgeshire ACRE	GRCC Community Action in Gloucestershire
Cheshire Community Action	Humber & Wolds Rural Action Northamptonshire
Community Action Isle of Wight	ACRE
Community Action Norfolk	KENT ACRE
Community Action Northumberland	Rural Community Action Nottinghamshire
Community Action Suffolk	Rural Action Derbyshire
Community Council for Somerset	Rural Community Council of Essex
Community Development Action Hertfordshire	Rural Community Council (Leicestershire & Rutland)
Community First in Herefordshire and Worcestershire	Community Resource (Shropshire)
Community First Oxfordshire	Support Staffordshire
Community First, Wiltshire and Swindon	Surrey Community Action
Community First Yorkshire	Tees Valley Rural Action
Community Futures, Lancashire Community Impact Bucks	Warwickshire Rural Community Council West of England Rural Network
Connecting Communities in Berkshire	YMCA Lincolnshire (incorporating Community Lincs)

Statement of responsibilities of the trustees

The trustees (who are also directors of the charity for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 charity and of the income and expenditure of the charity 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2025

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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 Directors

Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Number of Board meetings attended during the year

Ivan Annibal	Retired November 2024	4/4
Louise Beaton OBE	Retired November 2024	4/4
James Blake	Chair – Elected November 2022	5/5
Charles Coats	Joined November 2017	5/5
Sally Jane Colthup	Joined February 2024	5/5
Caroline Cotterell CBE	Joined November 2024	1/1
Sharon Davis	Joined November 2024	1/1
Helen Susan Dovey	Joined November 2018	
	Elected Vice Chair November 2023	4/5
Andrea Graham	Joined November 2024	1/1
Garry Jones	Joined November 2023	5/5
Sarah Morland	Joined February 2024	5/5
Gavin Parker	Joined February 2023	
	Elected Vice Chair November 2023	5/5
Francis James Webster	Joined November 2018	5/5

Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2025 was 38 (2024: 38). The Directors have no beneficial interest in the charitable company.

Auditors

Godfrey Wilson Limited were re-appointed as auditors to the charitable company during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 17 September 2025 and signed on their behalf by



James Blake - Chair

Independent auditors' report

To the members of

Action with Communities in Rural England

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 the provisions available for small entities, in the circumstances set out in note 6 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report

To the members of

Action with Communities in Rural England

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report

To the members of

Action with Communities in Rural England

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation 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 risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

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. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Independent auditors' report

To the members of

Action with Communities in Rural England

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

Use of our report

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

William Guy Blake

Date: 22 September 2025

William Guy Blake ACA
(Senior Statutory Auditor)

For and on behalf of:
GODFREY WILSON LIMITED
Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Action with Communities in Rural England

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

For the year ended 31 March 2025

	Note	Restricted £	Unrestricted £	2025 Total £	2024 Total £
Income from:					
Donations and legacies		-	203	203	22
Charitable activities	3	4,364,759	657,228	5,021,987	4,644,673
Investments		-	11,460	11,460	12,455
Total income		<u>4,364,759</u>	<u>668,891</u>	<u>5,033,650</u>	<u>4,657,150</u>
Expenditure on:					
Raising funds		-	9,361	9,361	4,050
Charitable activities		<u>4,455,211</u>	<u>607,891</u>	<u>5,063,102</u>	<u>4,494,356</u>
Total expenditure	5	<u>4,455,211</u>	<u>617,252</u>	<u>5,072,463</u>	<u>4,498,406</u>
Net income / (expenditure) and net movement in funds	6	(90,452)	51,639	(38,813)	158,744
Reconciliation of funds:					
Total funds brought forward		<u>128,178</u>	<u>485,033</u>	<u>613,211</u>	<u>454,467</u>
Total funds carried forward		<u><u>37,726</u></u>	<u><u>536,672</u></u>	<u><u>574,398</u></u>	<u><u>613,211</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 18 to the accounts.

Action with Communities in Rural England

Balance sheet

As at 31 March 2025

	Note	£	2025 £	2024 £
Fixed assets				
Tangible assets	9		231	693
Mixed motive investments	10		<u>878</u>	<u>3,000</u>
			1,109	3,693
Current assets				
Debtors	11	319,268		431,833
Cash at bank and in hand		<u>1,112,047</u>		<u>1,129,195</u>
		1,431,315		1,561,028
Liabilities				
Creditors: amounts falling due within 1 year	12	<u>(858,026)</u>		<u>(951,510)</u>
Net current assets			<u>573,289</u>	<u>609,518</u>
Net assets			<u><u>574,398</u></u>	<u><u>613,211</u></u>
Funds				
Restricted funds	18		37,726	128,178
Unrestricted funds:				
<i>Designated funds</i>			24,878	22,000
<i>General funds</i>			<u>511,794</u>	<u>463,033</u>
Total charity funds			<u><u>574,398</u></u>	<u><u>613,211</u></u>

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 17 September 2025 and signed on their behalf by



James Blake - Chair

Action with Communities in Rural England

Statement of cash flows

For the year ended 31 March 2025

	2025 £	2024 £
Cash used in operating activities:		
Net movement in funds	(38,813)	158,744
Adjustments for:		
Depreciation charges	462	597
Impairment of investments	2,122	-
Dividends, interest and rents from investments	(11,460)	(12,455)
Decrease / (increase) in debtors	112,565	(129,348)
Increase / (decrease) in creditors	<u>(93,484)</u>	<u>183,693</u>
Net cash provided by / (used in) operating activities	<u>(28,608)</u>	<u>201,231</u>
Cash flows from investing activities:		
Dividends, interest and rents from investments	<u>11,460</u>	<u>12,455</u>
Net cash provided by investing activities	<u>11,460</u>	<u>12,455</u>
Increase / (decrease) in cash and cash equivalents in the year	(17,148)	213,686
Cash and cash equivalents at the beginning of the year	<u>1,129,195</u>	<u>915,509</u>
Cash and cash equivalents at the end of the year	<u><u>1,112,047</u></u>	<u><u>1,129,195</u></u>

The prior period comparative has been restated to reclassify Rural Community Buildings Fund loan movements within debtor movements.

An analysis of changes in net debt is shown in note 20.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies

a) General information and basis of preparation

Action with Communities in Rural England is a charitable company limited by guarantee registered in England and Wales. The registered office address is 2 The Quadrangle, Banbury Road, Woodstock, Oxfordshire, OX20 1LH.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

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

Income from the 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 provision of services is deferred until criteria for income recognition are met.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies (continued)

e) Interest receivable

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

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

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

h) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated based on an estimate of staff time attributable to each activity as follows:

	2025	2024
Raising funds	1.7%	1.0%
Charitable activities	88.1%	83.9%
Governance costs	10.2%	15.1%

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Fixtures and fittings	3 years straight line
-----------------------	-----------------------

Items of equipment are capitalised where the purchase price exceeds £500.

j) Mixed motive investments

Mixed motive investments represent the charitable company's partner interest in Cirican LLP, which the trustees consider to have the dual objective of both financial return and furtherance of charitable objects. The investment is carried at fair value through the income and expenditure account. The LLP is an unquoted investment vehicle and a degree of judgement is required in assessing the fair value. At initial recognition the fair value is deemed to be the transaction amount. A review for impairment is carried out annually.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies (continued)

k) Debtors

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

l) 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.

m) Creditors

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.

n) Conduit funding

Conduit funds are monies received for third parties and do not belong to the charity. The incoming funds and outgoing payments are excluded from the Statement of Financial Activities. Any conduit funds in hand at the year end are shown as creditors in the accounts.

o) Financial instruments

The charitable company 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 with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

p) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SoFA.

q) Operating leases

Rental charges are charged on a straight line basis over the lease term.

r) Grants payable

Grants which have been authorised and paid are included as expenditure in the SoFA. Grants which have been authorised but not yet paid are accrued in the balance sheet and are included within creditors.

s) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

1. Accounting policies (continued)

s) Accounting estimates and key judgements (continued)

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

Mixed motive investments

As described in note 1(j) to the financial statements, mixed motive investments are carried at their fair value. However, the current investment is an unquoted investment vehicle and a degree of judgement is required in assessing its fair value.

2. Prior period comparatives: statement of financial activities

	Restricted	Unrestricted	2024 Total
	£	£	£
Income from:			
Donations and legacies	-	22	22
Charitable activities	4,105,784	538,889	4,644,673
Investments	-	12,455	12,455
Total income	<u>4,105,784</u>	<u>551,366</u>	<u>4,657,150</u>
Expenditure on:			
Raising funds	-	4,050	4,050
Charitable activities	<u>3,994,165</u>	<u>500,191</u>	<u>4,494,356</u>
Total expenditure	<u>3,994,165</u>	<u>504,241</u>	<u>4,498,406</u>
Net income	111,619	47,125	158,744
Transfers between funds	<u>204</u>	<u>(204)</u>	<u>-</u>
Net movement in funds	<u>111,823</u>	<u>46,921</u>	<u>158,744</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

3. Income from charitable activities

	Restricted £	Unrestricted £	2025 Total £
Defra - ACRE network agreement	1,633,000	79,000	1,712,000
Defra - Platinum Jubilee Village Hall fund	1,130,000	88,312	1,218,312
Defra - Rural Housing Enabler fund	1,601,759	195,683	1,797,442
Membership	-	193,179	193,179
Environment Agency	-	39,600	39,600
Rural communities buildings loan fund	-	20,000	20,000
Utility Aid	-	17,000	17,000
Conferences	-	13,347	13,347
Action with Communities in Cumbria	-	5,000	5,000
Norris & Fisher	-	5,000	5,000
Rural Coalition	-	951	951
Other	-	156	156
Total income from charitable activities	4,364,759	657,228	5,021,987

Prior period comparative

	Restricted £	Unrestricted £	2024 Total £
Defra - ACRE network agreement	1,633,000	79,000	1,712,000
Defra - Platinum Jubilee Village Hall fund	1,696,356	98,844	1,795,200
Defra - Rural Housing Enabler fund	767,428	90,803	858,231
Membership	-	182,632	182,632
Village Hall Design Guide on Energy Efficiency	-	29,500	29,500
Rural communities buildings loan fund	-	20,000	20,000
Conferences	-	15,170	15,170
Utility Aid	-	10,000	10,000
Norris & Fisher	-	10,000	10,000
Tudor Trust	5,000	-	5,000
Coyler-Fergusson	4,000	-	4,000
Hallmaster	-	2,000	2,000
Other	-	940	940
Total income from charitable activities	4,105,784	538,889	4,644,673

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

4. Government grants

The charitable company received government grants during the year, defined as funding from the Department for Environment, Food & Rural Affairs (DEFRA), to fund charitable activities. The total value of these grants is shown below. There were no unfulfilled conditions or contingencies attaching to these grants in the current or prior year.

	2025	2024
	£	£
Defra - ACRE network agreement	1,712,000	1,712,000
Defra - Platinum Jubilee Village Hall fund	1,218,312	1,795,200
Defra - Rural Housing Enabler fund	<u>1,797,442</u>	<u>858,231</u>
	<u>4,727,754</u>	<u>4,365,431</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

5. Total expenditure

	Raising funds £	Charitable activities £	Governance costs £	Support costs £	2025 Total £
Staff costs (note 7)	5,045	258,839	29,952	75,729	369,565
Direct costs	-	129,698	33,151	57,280	220,129
DEFRA grant to ACRE network (note 16)	-	1,633,000	-	-	1,633,000
Platinum Jubilee Village Hall grants (note 16)	-	1,107,745	-	-	1,107,745
Rural housing enabler grants (note 16)	-	1,711,966	-	-	1,711,966
Overheads	289	15,231	1,123	13,415	30,058
Sub-total	5,334	4,856,479	64,226	146,424	5,072,463
Allocation of support costs	2,514	128,985	14,925	(146,424)	-
Allocation of governance costs	1,513	77,638	(79,151)	-	-
Total expenditure	9,361	5,063,102	-	-	5,072,463

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

5. Total expenditure

Prior period comparative

	Raising funds £	Charitable activities £	Governance costs £	Support costs £	2024 Total £
Staff costs (note 7)	1,816	162,791	29,224	75,855	269,686
Direct costs	23	146,142	39,536	29,429	215,130
DEFRA grant to ACRE network (note 16)	-	1,633,651	-	-	1,633,651
Platinum Jubilee Village Hall grants (note 16)	-	1,689,535	-	-	1,689,535
Rural housing enabler grants (note 16)	-	655,789	-	-	655,789
Rural Coalition expenditure	-	9,689	-	-	9,689
Overheads	227	18,947	714	5,038	24,926
Sub-total	2,066	4,316,544	69,474	110,322	4,498,406
Allocation of support costs	1,034	92,653	16,635	(110,322)	-
Allocation of governance costs	950	85,159	(86,109)	-	-
Total expenditure	4,050	4,494,356	-	-	4,498,406

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

6. Net movement in funds

This is stated after charging:

	2025	2024
	£	£
Depreciation	462	597
Operating lease payments:		
▪ Property	14,246	12,490
▪ Other	1,215	1,215
Trustees' remuneration	Nil	2,700
Trustees' expenses	3,159	7,500
Auditors' remuneration (excluding VAT):		
▪ Statutory audit	8,250	6,700
▪ Prior period under accrual	1,800	-
	<u>1,800</u>	<u>-</u>

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statements.

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £3,159 (2024: £7,500) incurred by 11 (2024: 13) trustees relating to attendance at meetings of the trustees.

Trustees' remuneration is detailed in note 22 to the accounts.

7. Staff costs and numbers

Staff costs were as follows:

	2025	2024
	£	£
Salaries and wages	257,320	123,080
Social security costs	8,715	12,800
Pension costs	16,969	9,109
Freelance staff	86,561	124,697
	<u>369,565</u>	<u>269,686</u>

Staff cost increases reflect the charity's planned restructuring of the team during the year, the aim being to reduce consultancy support and bring capacity and expertise in house to deliver our new strategy.

Termination and redundancy payments totalling £17,969 (2024: £nil) are included within salaries and wages costs. These costs related to a settlement agreement of £11,200 and £6,769 for payments in lieu of notice.

1 employee earned more than £60,000 during the year, (2024: none).

Total employee benefits including pension contributions and freelance staff costs paid to key management personnel during the year totalled £121,023 (2024: £101,987).

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

7. Staff costs and numbers (continued)

	2025 No.	2024 No.
Average head count:	<u>5.8</u>	<u>3.3</u>

8. Taxation

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

9. Tangible fixed assets

	Computer equipment £
Cost	
At 1 April 2024 and 31 March 2025	<u>6,220</u>
Depreciation	
At 1 April 2024	5,527
Charge for the year	<u>462</u>
At 31 March 2025	<u>5,989</u>
Net book value	
At 31 March 2025	<u><u>231</u></u>
At 31 March 2024	<u><u>693</u></u>

10. Mixed motive investments

	2025 £	2024 £
Investment in Cirican LLP		
At 1 April	3,000	3,000
Impairment	<u>(2,122)</u>	<u>-</u>
At 31 March	<u><u>878</u></u>	<u><u>3,000</u></u>

During 2020, ACRE made an investment of £3,000 into Cirican LLP. The objective of Cirican is to enable ACRE and those members who are involved in Cirican to tender for larger national research contracts that play to the members' skills and experience, for both financial return and furtherance of charitable purposes.

An impairment review was conducted in the year due to the expected closure of Cirican LLP.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

11. Debtors

	2025 £	2024 £
Trade debtors	67,624	12,596
Loans to rural community buildings under loan scheme (note 14)	246,261	294,751
Prepayments	2,231	2,339
Accrued income	-	97,192
VAT debtor	2,152	2,863
Other debtors	1,000	22,092
	<u>319,268</u>	<u>431,833</u>

Amounts due after more than one year included in:

Loans to rural community buildings under loan scheme	<u>192,974</u>	<u>189,543</u>
--	----------------	----------------

12. Creditors: amounts due within 1 year

	2025 £	2024 £
Rural community buildings loan fund (note 14)	700,000	700,000
Trade creditors	23,166	36,984
Taxation and social security	5,851	6,066
Other creditors	21,690	6,433
Accruals	19,986	16,958
Conduit funding (note 19)	5,740	5,740
Deferred income (note 15)	23,637	12,192
Grant commitments (note 13)	57,956	167,137
	<u>858,026</u>	<u>951,510</u>

13. Grant commitments

	2025 £	2024 £
Grant commitments at 1 April	167,137	-
Grant commitments made (note 16)	4,452,711	3,978,975
Grants disbursed	<u>(4,561,892)</u>	<u>(3,811,838)</u>
Grant commitments outstanding at 31 March	<u>57,956</u>	<u>167,137</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

14. Rural community buildings loan fund

Rural community building loan fund administered by ACRE on behalf of DEFRA:

	2025 £	2024 £
Funds advanced by DEFRA at 1 April 2024 (note 12)	<u>700,000</u>	<u>700,000</u>
Loans to rural community buildings:		
Outstanding at 1 April	294,751	299,295
Loaned during the year	100,000	70,857
Repaid during the year	<u>(148,490)</u>	<u>(75,401)</u>
Outstanding loans at 31 March (note 11)	<u>246,261</u>	<u>294,751</u>
Bank deposit on hand at 31 March 2025 less interest payable to DEFRA	<u>453,739</u>	<u>405,249</u>

15. Deferred income

	2025 £	2024 £
At 1 April 2024	12,192	15,150
Deferred during the year	23,637	12,192
Released during the year	<u>(12,192)</u>	<u>(15,150)</u>
At 31 March 2025	<u>23,637</u>	<u>12,192</u>

Deferred income relates to Village Hall Advisors training event and Corporate Sponsorship income received in advance.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

16. Grants payable

During the year, ACRE made the following grants to institutions:

	2025	2024
	£	£
DEFRA grants to ACRE network		
Action Hampshire	44,675	44,675
Action in Rural Sussex	47,395	47,395
Action with Communities in Cumbria	49,265	49,265
Bedfordshire Rural Communities Charity	35,840	35,840
Cambridgeshire ACRE	44,180	44,180
Cheshire Community Action	39,500	39,500
Connecting Communities in Berkshire	34,840	34,840
Community Action Isle of Wight	33,840	33,840
Community Action Norfolk	50,995	50,995
Community Action Northumberland	42,405	42,405
Community Action Suffolk	45,310	45,310
Community Council for Somerset	44,060	44,060
Community Development Action Hertfordshire	38,065	38,065
Community First in Herefordshire and Worcestershire	43,930	43,930
Community First Oxfordshire	39,640	39,640
Community First, Wiltshire	41,095	41,095
Community First Yorkshire	69,720	69,720
Community Futures, Lancashire	44,240	44,240
Community Impact Bucks	39,000	39,000
Lincolnshire YMCA Ltd (Community Lincs)	49,030	49,030
Cornwall Rural Community Charity	45,670	45,670
Devon Communities Together	53,145	53,145
Dorset Community Action	41,255	41,255
Durham Community Action	42,585	42,585
GRCC Community Action in Gloucestershire	39,220	39,220
Humber & Wolds Rural Action	41,965	41,965
Kent ACRE	12,383	-
Northamptonshire ACRE	40,280	40,280
Rural Action Derbyshire	44,200	44,200
Rural Community Action Nottinghamshire	40,580	40,580
Rural Community Council (Leicestershire & Rutland)	41,200	41,200
Rural Community Council of Essex	46,875	46,875
Community Resource (Shropshire)	40,135	40,135
Support Staffordshire	42,405	42,405
Surrey Community Action	38,735	38,735
Tees Valley Rural Action	34,235	34,235
WRCC (Warwickshire Rural Community Council)	37,635	37,635
West of England Rural Network	36,325	36,325
Resource for the continuation of support for Kent rural communities	37,148	50,181
	<u>1,633,000</u>	<u>1,633,651</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

16. Grants payable (continued)

	2025	2024
	£	£
Platinum Jubilee Village Hall Grants		
1st Albrighton Scout Group, Shropshire	4,000	-
1st Coddington Scout Group, Notts	4,613	-
Acland Memorial Hall, Berkshire	10,718	-
Aldersholt Village Hall, Dorset	3,068	-
Alveston Village Association, Warwickshire	2,280	-
Anslow Village Hall, Staffs	3,000	-
Arnesby Village Hall Trust, Leics	4,500	-
Badwell Ash Village Hall, Suffolk	13,082	-
Baylham Village Hall, Suffolk	33,682	-
Beeding & Bramber Village Hall	10,500	-
Bradden Village Hall, Northants	5,000	5,000
Broad Oak, Sussex	3,809	-
Cardington Village Hall, Shropshire	2,286	-
Chatton Village Hall Trust, Northumberland	5,000	-
Child Memorial Village Hall, Sussex	2,112	-
Chittlehampton Village Hall, Devon	75,000	-
Claughton Memorial Hall	4,885	-
Clipston Village Hall, Northamptonshire	45,407	-
Coaley Village Hall, Gloucestershire	20,000	-
Coddington Village Hall, Notts	5,000	-
Combe Florey Village Hall, Somerset	2,196	-
Coronation Hall Mary Tavey, Devon	7,500	-
Cross in Hand Village Hall, Sussex	9,800	-
Crowhurst Village Hall, Sussex	11,318	-
Curry Mallet and Beercrocombe Village Hall, Somerset	2,077	-
Denmead War Memorial Hall, Hants	4,770	-
Dundry Village Hall, North Somerset	8,500	-
Dunnington Village Hall, Yorkshire	3,193	-
East Coker Village Hall, Somerset	17,386	-
East Cowton Village Hall, Yorkshire	22,000	-
East Woodhay Village Hall, Hampshire	2,671	-
Ellen Hinde Hall, Oxon	4,000	-
Everton cum Tetworth Village Hall, Beds	4,728	-
Farndon Community Centre, Cheshire	34,000	-
Five Ashes Village Hall, Sussex	3,186	-
Freshford Village Memorial Hall	4,500	-
Garthorpe Village Hall, North Lincolnshire	14,909	-
Graveney & Goodnestone Village Hall, Kent	3,421	-
Grindleford Playing Fields Association / Grindleford Playing Field Trust	3,251	-
Hale Village Hall New Forest, Hants	5,000	-
Halse Village Hall	3,230	-
Helsington & Brigsteer Village Hall, Cumbria	4,000	-
Hesketh Bank CC, Lancashire	3,960	-
	437,538	5,000
Sub total	437,538	5,000

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

16. Grants payable (continued)	2025 £	2024 £
Platinum Jubilee Village Hall Grants (continued)		
Sub total brought forward	437,538	5,000
Hillesley (Hopkins Hall), Glos	2,190	-
Hoghton Sports & Social Club, Lancashire	20,700	-
Holbeach Reading Room, Lincs	2,893	-
Holmbury St Mary, Surrey	8,363	-
Holme Village Hall, Cambs	3,774	-
Holwell Village Hall	4,739	-
Horam Village Hall	2,200	-
Indian Queens Victory Hall, Cornwall	2,440	-
Keelby Village Hall Committee	3,035	-
Kentford Community Hub, St. Marys PCC	5,000	-
Layer Marney Community Hub, Essex	7,524	-
Little Aston Village Hall, Staffordshire	39,000	-
Liverton Village Hall, Devon	3,252	-
Lopen PCC, Somerset	4,000	-
Loxton Community Hub, North Somerset	20,000	-
Madley Parish Hall, Hants	5,000	-
Maiden Bradley Village Hall, Wiltshire	9,224	-
Malborough Village Hall & PFA, Devon	2,314	-
Mark Community Centre, Somerset	4,891	-
Martin Village Hall (Blandford), Hampshire	26,400	-
Nash Mills Village Hall, Hertfordshire	12,581	-
Neen Savage Parish Hall, Shropshire	3,667	-
Old Pool Bank Village Hall, Yorkshire	2,783	-
Orleton Village Hall, Hants	2,327	-
Osmotherley Village Hall, Yorkshire	2,108	-
Papplewick & Linby Village Hall, Nottinghamshire	3,212	-
Par Bay Community Trust, Cornwall	7,644	-
Piddinghoe Village Hall, Sussex	31,571	-
Plumbland Village Hall	3,080	-
Plumley Village Hall, Cheshire	2,240	-
Potten End Village Hall	2,740	-
Ramsey Community Centre, Cambridgeshire	60,000	-
Ripley Village Hall	5,000	-
Ruan Minor Village Hall, Cornwall	22,800	-
Ruskington Village Hall, Lincs	2,300	-
Seghill Colliery Institute, Northumberland	11,000	-
Shadforth Community Association, Durham	2,781	-
Shurdington Village Hall, Glos	2,521	-
Silchester Village Hall, Hants	5,000	-
Slapton Village Hall	4,742	-
South Hanningfield Village Hall, Essex	2,904	-
South Milton Village Hall, Devon	3,401	-
Sub total	<u>810,879</u>	<u>5,000</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

16. Grants payable (continued)

	2025 £	2024 £
Platinum Jubilee Village Hall Grants (continued)		
Sub total brought forward	810,879	5,000
Springthorpe Village Institute, Lincs	2,000	-
St. Days Enterprise Centre, Cornwall	11,000	-
St. Mary's Appledore PCC, Devon	2,020	-
St. Andrews Community Hall, Lancashire	24,000	-
St. Mary's Church Room, Sole, Kent	55,612	-
St. Piran's Village Hall, Cornwall	4,513	-
Stannington Village Hall, Northumberland	8,064	-
Starkholmes Village Hall, Derbyshire	2,150	-
Staverton Village Hall	2,320	-
Stokeinteignhead Village Hall, Devon	2,000	-
Stretton Priory Centre, Staffs	4,278	-
Stutton Village Hall, Yorkshire	18,618	-
Swardeston Village Hall, Norfolk	12,314	-
Swimbridge Jubilee Hall, Devon	3,617	-
Teigngrace Parish Charity, Devon	4,484	-
The Barnetby Village Hall, Lincolnshire	5,000	-
The Grand Pavilion, Derbyshire	4,072	-
The Hill in Millom Village Hall, Cumbria	3,707	-
The Institute, Kelvedon	5,000	-
The Institute, Ottery St. Mary, Devon	2,211	-
Theale Village Hall, Somerset	10,182	-
Thurgoland Village Hall, Yorkshire	3,980	-
Titchfield Village Trust, Hampshire	5,000	-
Trimdon Grange Community Association, Durham	3,960	-
Uplyme Village Hall, Devon	3,579	-
Weston with Gayton Village Hall, Staffs	2,024	-
Willey & District Village Hall, Shropshire	2,125	-
Wilsford Village Hall, Lincs	2,206	-
Winchcome Community & Arts Hub, Glos	3,634	-
Winchelsea New Hall, Somerset	4,224	-
Winsley Church Hall, Wilts	4,834	-
Wolvey Village Hall, Warwickshire	54,477	-
Woodbury Village Hall, Devon	2,400	-
Wookey Church Hall PCC, Somerset	3,356	-
Woolfardisworthy S&C Hall, Devon	2,943	-
Worton & Marston Village Hall, Wiltshire	14,500	-
Adastra (Hassocks CA)	-	10,278
Aldenham Memorial Hall, Hertfordshire	-	8,461
Allerthorpe, Humber & Wolds	-	10,000
Amberley with North Stoke Church Hall, Sussex	-	7,500
Ampleforth Village Hall, Yorkshire	-	8,509
Appleton Thorn, Cheshire	-	8,178
Sub total	<u>1,111,283</u>	<u>57,926</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

16. Grants payable (continued)

	2025	2024
	£	£
Platinum Jubilee Village Hall Grants (continued)		
Sub total brought forward	1,111,283	57,926
Armathwaite, Cumbria	-	8,949
Ashill Village Hall, Somerset	-	11,226
Bedwyn Village Hall, Wiltshire	-	25,000
Bilbrook, Suffolk	-	10,545
Bishopstone, Buckinghamshire	-	22,007
Bomere Heath, Shropshire	-	8,498
Bratton Church Institute, Wiltshire	-	7,500
Burton in Lonsdale	-	19,315
Bythorn Village Hall, Cambridgeshire	-	16,500
Cambo Village Hall, Northumberland	-	10,078
Caryford, Somerset	-	75,000
Cassington Village Hall, Oxfordshire	-	4,722
Castle Acre Village Hall, Norfolk	-	9,000
Chittlehamholt Village Hall, Devon	-	7,804
Church Eaton Village Institute, Staffordshire	-	4,839
Copythorne, Hampshire	-	7,966
Cornworthy Village Hall, Devon	-	10,000
Crantock, Cornwall	-	17,289
Danby Village Hall, Yorkshire	-	9,600
Donisthorpe, Leicestershire	-	75,000
Dormansland, Surrey	-	15,000
Dorstone Village Hall, Herefordshire	-	8,500
Duxford Village Hall, Cambridgeshire	-	15,640
Eversley Village Hall, Hampshire	-	7,500
Falfield Village Hall, South Gloucestershire	-	23,860
Ferring, Sussex	-	9,495
Fishburn Youth & Community Centre	-	25,000
Goldhanger Village Hall, Essex	-	8,400
Great Denham, Bedfordshire	-	11,289
Great Finborough, Suffolk	-	8,000
Great Horwood Village Hall, Buckinghamshire	-	40,349
Guarlford Village Hall	-	7,680
Haddenham, Buckinghamshire	-	16,989
Hanna's Field Charity, Essex	-	8,000
Hartland Parish Hall, Devon	-	7,937
Hickling Barn, Norfolk	-	13,668
Hinderclay, Suffolk	-	7,500
Hollym, Humber & Wolds	-	10,704
Holme CC, Yorkshire	-	23,550
Hutton Roof Village Hall, Cumbria	-	30,632
Hyde, Hampshire	-	19,000
Jevington, Sussex	-	12,441
Sub total	<u>1,111,283</u>	<u>749,898</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

16. Grants payable (continued)

	2025 £	2024 £
Platinum Jubilee Village Hall Grants (continued)		
Sub total brought forward	1,111,283	749,898
Kilburn, Yorkshire	-	20,855
Lady Alice Memorial Hall, Somerset	-	19,440
Lambeage Village Hall, Cornwall	-	32,000
Lanreath Village Hall, Cornwall	-	9,921
Little Thetford, Cambridgeshire	-	18,500
Litton Village Hall, Somerset	-	7,610
Longworth Village Hall, Oxfordshire	-	8,541
Lord Thurlow Hall, Suffolk	-	8,163
Lover CC, Wiltshire	-	10,600
Lower Withington Village Hall, Cheshire	-	10,218
Lyonshall Village Hall	-	10,000
Maker with Rame, Cornwall	-	9,192
Mariansleigh, Devon	-	8,283
Mawnan Smith Memorial Hall, Cornwall	-	7,500
Medbourne Memorial Hall, Leicestershire	-	12,000
Menheniot Village Hall, Cornwall	-	39,173
Meshaw Village Hall, Devon	-	26,558
Newton Valence, Hampshire	-	32,000
Peak Forest Reading Room, Derbyshire	-	8,000
Quarnford & Healthylee Memorial Hall, Staffordshire	-	10,374
Rifle Hall Trust, Suffolk	-	15,202
Ruishton, Somerset	-	10,311
Sawbridgeworth, Hertfordshire	-	72,000
Seaton Sluice, Northumberland	-	8,292
Sessay Village Hall, Yorkshire	-	32,265
Settle, Yorkshire	-	18,000
Shapwick Village Hall, Somerset	-	16,000
Shedfield Reading Room, Hampshire	-	12,000
Shenstone, Staffordshire	-	9,213
Shillingford & Petton, Devon	-	15,971
Shrivenham Village Hall, Oxfordshire	-	20,000
Snape Village Hall, Yorkshire	-	7,500
St. Mabyn Peace Memorial Hall, Cornwall	-	21,000
St. George's Parish Centre, Somerset	-	8,951
St. Newlyn East Mem Hall, Cornwall	-	15,916
St. Paulinus Centre, Kent	-	7,267
Stevington Community Hub, Bedfordshire	-	19,525
Stewkley Village Hall, Buckinghamshire	-	23,506
Sunnyside, Kent	-	9,123
Takeley Silver Jubilee Hall, Essex	-	20,000
Toppin Memorial Hall (John Castlehow), Cumbria	-	33,600
Troon Village Hall, Cornwall	-	40,500
Sub total	<u>1,111,283</u>	<u>1,494,968</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

16. Grants payable (continued)

	2025	2024
	£	£
Platinum Jubilee Village Hall Grants (continued)		
Sub total brought forward	1,111,283	1,494,968
Walton Village Hall, Yorkshire	-	28,850
Weston Sub Edge, Gloucestershire	-	12,500
Whimble Village Hall, Devon	-	12,824
Whitley, Yorkshire	-	14,120
Whixley Village Hall, Yorkshire	-	23,000
Wilshaw Village Hall, Yorkshire	-	13,407
Withersfield, Suffolk	-	9,451
Wootton Village Hall, N.Lincolnshire	-	3,266
Wormingford, Essex	-	12,776
Worminghall, Buckinghamshire	-	18,000
Wretham, Norfolk	-	23,238
Yarlington, Somerset	-	15,000
Yeolmbridge, Cornwall	-	8,135
	<hr/>	<hr/>
Subtotal	1,111,283	1,689,535
Repaid grants	<u>(3,538)</u>	<u>-</u>
	<u>1,107,745</u>	<u>1,689,535</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

16. Grants payable (continued)

	2025	2024
	£	£
Rural Housing Enabler Fund		
ACRE member in:		
Bedfordshire	36,475	23,844
Berkshire	48,607	35,251
Buckinghamshire	39,869	19,610
Cambridgeshire	57,941	35,225
Cheshire	58,408	33,530
Cornwall	61,496	6,000
Cumbria	50,800	31,425
Derbyshire	58,912	6,128
Devon	61,335	35,670
Dorset	49,860	26,969
Durham	47,322	23,994
Essex	61,487	17,533
Gloucestershire	43,052	35,598
Hampshire	34,822	39,046
Herefordshire	58,697	5,000
Hertfordshire	43,850	3,457
Humber & Wolds	60,308	2,687
Isle of Wight	48,544	25,006
Lancashire	61,163	17,405
Leicestershire	54,780	6,015
Norfolk	54,194	6,580
Northamptonshire	55,822	16,662
Northumberland	46,420	25,750
Oxfordshire	46,343	34,506
Shropshire	51,205	6,046
Somerset	57,076	5,216
Staffordshire	47,622	12,351
Suffolk	23,208	11,227
Surrey	54,791	6,498
Sussex	60,289	35,670
Warwickshire	42,075	4,358
WERN	34,020	34,412
Wiltshire	43,970	-
Yorkshire	57,203	27,120
	<u>1,711,966</u>	<u>655,789</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

17. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	231	231
Mixed motive investments	-	878	-	878
Current assets	117,372	24,000	1,289,943	1,431,315
Current liabilities	(79,646)	-	(778,380)	(858,026)
Net assets at 31 March 2025	37,726	24,878	511,794	574,398
Prior period comparative				
	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	693	693
Investments	-	3,000	-	3,000
Current assets	316,747	19,000	1,225,281	1,561,028
Current liabilities	(188,569)	-	(762,941)	(951,510)
Net assets at 31 March 2024	128,178	22,000	463,033	613,211

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

18. Movements in funds

	At 1 April 2024 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2025 £
Restricted funds					
Tudor Trust	1,500	-	(1,500)	-	-
Big Lottery Safeguarding	3,961	-	-	-	3,961
DEFRA rural communities	-	1,633,000	(1,633,000)	-	-
DEFRA PJVH fund	6,820	1,130,000	(1,107,745)	-	29,075
DEFRA RHE fund	111,639	1,601,759	(1,711,966)	-	1,432
Coyler Ferguson Kent ACRE	1,000	-	(1,000)	-	-
National Parks Residents Association	2,787	-	-	-	2,787
National Village Halls Forum	471	-	-	-	471
Total restricted funds	128,178	4,364,759	(4,455,211)	-	37,726
Unrestricted funds					
<i>Designated funds:</i>					
ACRE Network review	4,000	-	-	-	4,000
ACRE Network members	15,000	-	-	5,000	20,000
LLP Consultancy (Cirican)	3,000	-	(2,122)	-	878
<i>Total designated funds</i>	22,000	-	(2,122)	5,000	24,878
General funds	463,033	668,891	(615,130)	(5,000)	511,794
Total unrestricted funds	485,033	668,891	(617,252)	-	536,672
Total funds	613,211	5,033,650	(5,072,463)	-	574,398

Purposes of restricted funds

Tudor Trust ACRE received the initial 50% of the year long grant for the purpose of reviewing the purpose of the Village Hall services provided throughout the ACRE Network and identify areas for expansion.

Big Lottery Safeguarding The National Lottery Community Fund provided funds for a project that will promote good safeguarding practice to village and community halls throughout England. ACRE used the 38 ACRE Network members' contacts and reach into rural communities to signpost and share resources. Advice and examples of best practice have been shared helping hall committees to better understand their responsibilities, put in place proportionate policies and procedures, and have confidence to deal with safeguarding issues as they arise.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

18. Movements in funds (continued)

Purposes of restricted funds (continued)

DEFRA rural communities	The investment delivers support to the end beneficiaries of the ACRE Network, ensuring that rural communities have the technical support and advice needed to survive and thrive. The grant is distributed through ACRE to its 38 members, full details are available on the ACRE website.
DEFRA PJVH fund	DEFRA Platinum Jubilee Village Hall (PJVH) fund is a grant fund provided by DEFRA to support the modernisation and improvement of rural community buildings.
DEFRA RHE fund	DEFRA Rural Housing Enabler (RHE) fund is a £2.5m programme funded by DEFRA creating a new network of Rural Housing Enablers (RHEs). RHEs are specialists who help rural communities consider the need for affordable housing locally.
Coyler Ferguson Kent ACRE	Coyler Ferguson grant is a grant provided to support the establishment of Kent ACRE, specifically for legal fees to support the CIO.
National Parks Residents Association	ACRE holds funds on behalf of the National Parks Residents Association for use only as designated by the Association.
National Village Halls Forum	The National Village Halls Forum closed and a decision was taken to pay funds remaining in the bank account to ACRE for hosting and support work undertaken by the new Village and Community Halls Network.

Purposes of designated funds

ACRE Network review	The ACRE Board designated funds to support the research, review and modernisation of its services.
ACRE Network members	The ACRE Board designated funds to support a strategic review of ACRE member services in order to identify the best and most sustainable way of safeguarding such services for end beneficiaries in the future. This has been increased with a transfer from general funds this year.
LLP Consultancy (Cirican)	The ACRE Board designated funds to underpin 'Cirican' the ACRE Network Consultancy vehicle, established to capitalise on members' extensive experience and understanding of rural issues, and to generate an income stream to advance ACRE's charitable aim of supporting rural communities.

Transfers

Transfers to designated funds from general funds are to represent future spends expected based on the trustees assessment.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

18. Movements in funds (continued)

Prior period comparative	At 1 April 2023 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2024 £
Restricted funds					
Tudor Trust	(1,000)	5,000	(2,500)	-	1,500
Big Lottery Safeguarding	3,961	-	-	-	3,961
DEFRA rural communities	447	1,633,000	(1,633,651)	204	-
DEFRA PJVH fund	-	1,696,356	(1,689,536)	-	6,820
DEFRA RHE fund	-	767,428	(655,789)	-	111,639
Coyler Ferguson Kent ACRE	-	4,000	(3,000)	-	1,000
National Parks Residents Association	2,787	-	-	-	2,787
National Village Halls Forum	471	-	-	-	471
Rural Coalition	9,689	-	(9,689)	-	-
Total restricted funds	16,355	4,105,784	(3,994,165)	204	128,178
Unrestricted funds					
<i>Designated funds:</i>					
ACRE Network review	4,000	-	-	-	4,000
ACRE Network members	10,000	-	-	5,000	15,000
LLP Consultancy (Cirican)	3,000	-	-	-	3,000
<i>Total designated funds</i>	<i>17,000</i>	<i>-</i>	<i>-</i>	<i>5,000</i>	<i>22,000</i>
General funds	421,112	551,366	(504,241)	(5,204)	463,033
Total unrestricted funds	438,112	551,366	(504,241)	(204)	485,033
Total funds	454,467	4,657,150	(4,498,406)	-	613,211

19. Conduit funding

	2025 £	2024 £
Funds held at 1 April	5,740	-
Amounts received	-	5,500
Adjustment to correct closing balance	-	240
Funds held at 31 March	5,740	5,740

ACRE receives and disburses funds on behalf of The Rural Coalition. The balance held at the year end date is included in other creditors.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2025

20. Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash	<u>1,129,195</u>	<u>(17,148)</u>	<u>1,112,047</u>
	1,129,195	(17,148)	1,112,047
Loans falling due within 1 year	<u>(700,000)</u>	<u>-</u>	<u>(700,000)</u>
Net debt	<u>429,195</u>	<u>(17,148)</u>	<u>412,047</u>

21. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	Property 2025 £	2024 £	Equipment 2025 £	2024 £
Amount falling due:				
Within 1 year	<u>7,123</u>	6,245	<u>1,215</u>	1,215
Within 1 - 5 years	<u>-</u>	-	<u>-</u>	1,519
	<u>7,123</u>	<u>6,245</u>	<u>1,215</u>	<u>2,734</u>

22. Related party transactions

During the current and prior year, ACRE distributed DEFRA grants to its member organisations. A full list of these is included in note 16.

During the year, Louise Beaton, a charity trustee until 27 November 2024, received £Nil for consultancy services prior to her resignation as a trustee (2024: £2,700).

Ivan Annibal, a charity trustee until 27 November 2024, is the managing director of Rose Regeneration, the company completing the quarterly surveys of the DEFRA network grant, the company received £5,100 prior to his resignation as a trustee (2024: £17,000). No amounts were due at the year end.

Cirican LLP is a commercial research partnership of which ACRE is a member. ACRE invested £3,000 in the partnership in 2021. This investment was impaired by £2,112 during the year, resulting in a valuation as at the year end date of £878. There were no balances outstanding at year end.

ACTION WITH COMMUNITIES IN RURAL ENGLAND (ACRE)

England & Wales - Charity number 1061568

Accounts

Company no. 3336101
Charity no. 1061568

**Action with Communities in Rural
England**

Report and Audited Financial Statements

31 March 2024

Action with Communities in Rural England

Reference and administrative details

For the year ended 31 March 2024

Status	The organisation is a charitable company limited by guarantee, incorporated on 19 March 1997 and registered as a charity on 26 March 1997.	
Governing document	The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.	
Company number	3336101	
Charity number	1061568	
Registered office and operational address	2 The Quadrangle Banbury Road Woodstock Oxfordshire OX20 1LH	
Honorary officers	James Blake Susan Dovey Gavin Parker	Chair Vice Chair Vice Chair
	A full list of the trustees serving during the year and up to the date of this report can be found on page 18.	
Executive director	Richard Quallington	until 28 May 2024
Chief executive	Corinne Pluchino	from 29 May 2024
Company secretary	Corinne Pluchino	
Bankers	Lloyds plc 14 Castle Street Cirencester Gloucestershire GL7 1QJ	
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ	
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5th Floor Mariner House 62 Prince Street Bristol BS1 4QD	

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

The directors present their report and the audited financial statements for the year ended 31 March 2024.

Introduction

The 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 and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Mission, objectives and activities

ACRE's objects are *to promote any charitable purpose to improve the conditions of life of people and communities in rural areas in England and Wales. More specifically ACRE's mission is to work with its 38 members and other key stakeholders to evidence and address need, to inform and to influence at a national level, speaking up as the voice of rural communities across England. ACRE's beneficiaries are at the heart of all its work specifically; all people living in rural areas of England, but especially those who are at risk of isolation and disadvantage and for whom rurality brings additional challenge and cost to their daily lives.*

ACRE reviews its strategic priorities, aims and objectives on a regular basis as part of the business planning cycle. The current three-year corporate plan 2022-25 comes to an end in March 2025 and a new strategy will be developed during 2024-25 in readiness for the start of the new financial year.

Vision

ACRE's vision is *'Rural Communities that are thriving, inclusive and sustainable and which have the services needed to ensure equity for all residents', and 'rural places that are fully engaged in the UK's future policies and ambitions'.*

This vision is underpinned by behaviours which support the following values:-

- Responsive – responding and listening to the needs of members and beneficiaries;
- Innovative – testing and developing new approaches;
- Collaborative – working with others to achieve results for our members and beneficiaries;
- Empowering – enabling members and rural communities to take action;
- Solution focused – achieving results that make a difference.

Objectives

ACRE's core objective is to promote a healthy, informed, vibrant and sustainable rural community sector that is well equipped to address local need whilst being able also to influence and benefit from policies and initiatives at national, sub-national and local level. Specifically as the 39th member of the ACRE Network, ACRE's main purpose is to:-

- Gather evidence and conduct research to improve the outcomes for rural communities;
- Articulate a voice for rural communities at the national level;
- Influence decisions that impact on rural communities;
- Deliver programmes through our members which directly improve the lives of our end beneficiaries, and which increase the resilience of rural communities.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

As the national body of the ACRE Network, ACRE also supports its member organisations to build their capacity in order to serve and respond to the needs of rural communities.

Our funders and sponsors

The greater extent of our work this year was only made possible with the help and support of our funders and sponsors. We are extremely grateful to the following for their financial support during the year:-

- ACRE members
- Department for the Environment, Food & Rural Affairs (Defra)
- Norris and Fisher
- Hallmaster
- Utility Aid
- Stagg Architects and sponsors of the Net Zero Design Guide: Baxi, Herschel, Heatable, Utility Aid, Fakro Selctaglaze and Zolb EV.

Activities

ACRE's day to day activities during the year were focused on seven specific workstreams as further elaborated in the operational plan, namely:-

1. Research and intelligence;
2. Policy, voice and national influencing;
3. Engaging and collaborating with key national partners;
4. National programme development, delivery and service improvement;
5. Developing and strengthening the ACRE Network and supporting its members;
6. Governance and leadership of ACRE and the national network;
7. Management and corporate services.

How our activities deliver public benefit

ACRE's charitable activities are to alleviate rural disadvantage in rural communities throughout England through its activities and achievements, a sample of which are set out below.

Achievements and performance

During **2023-24**, ACRE continued to develop its strategy for advocacy on behalf of its end beneficiaries in three major directions:

- Securing ongoing recognition of the value delivered by the ACRE investment agreement with the Department for Environment, Food and Rural Affairs (Defra) by ensuring effective delivery and by highlighting impact;
- Positioning ACRE members as primary agents of change in rural communities;
- Capitalising on the ACRE Network's reach into rural communities, and its expertise in ensuring rural communities and particularly those most disadvantaged by rurality benefit from national policy initiatives.

The Trustees would like to take this opportunity to thank the ACRE team for their continued commitment, hard work and energy throughout the year which enabled the organisation to achieve so much.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

1. In pursuance of its role in speaking up for rural communities, ACRE continued its engagement in a wide range of national advisory and steering groups aimed at influencing public policy towards either rural or civil society issues including: The Rural Coalition; The Civil Society Group; Defra's Rural Insights Forum; The Rural Housing Network; Post Office Advisory Group; End Fuel Poverty Coalition; and Rural England CIC. In addition, we were pleased to be invited to be part of the Advisory Board that has assisted Government with the allocation of £100m to support voluntary organisations affected by rapid increases in the cost of living.
2. During 2023-24 we took two substantial initiatives to update both the way we go about speaking up for rural communities and also to prepare for rural areas being a focus for policy making both before and after an anticipated General Election:-
 - a) For the first time we can quantitatively report here the work that has been done to raise the rural voice in these consultations as well as recording where we have had both successes and disappointments. During the year we responded to **32 Government consultations** or calls for evidence where we judged there to be a significant potential impact on rural communities. We noted but did not respond to 13 where the importance of the issue was not sufficiently clear. It can sometimes seem that time spent reactively on Government initiatives is hard to justify, however, by tracking what we are doing through our intranet it becomes clear that well evidenced responses tend to lead to follow up from the Department concerned and a consequent increase in influence.
 - b) We carried out a **review of all our 'asks' on behalf of rural communities** and based this on our network's understanding of the pressures and external influences acting on people and communities in rural areas. This was brought together in a document 'No Rural Community Left Behind', published in Spring 2024, which brought together over 30 recommendations for an incoming Government. The document has been shared with a wide range of stakeholders and will continue to shape our conversations with the new government.
 - c) The review has resulted in a new focus on four specific policy areas:
 - i. **Promotion of community-led action.** Opportunities to promote the principle of driving resources and support down to the most local level in rural areas have been few over the past year, and in many cases the argument has to be made 'upstream' of direct policy. However, whenever it has been possible to do so we have pressed the case for this being the best way to engage communities in finding solutions to local requirements. We have responded and given evidence to this end through:
 - The Hewitt review of Integrated Care Boards and Systems, a very important local issue for many of our members who are actively delivering initiatives in this area.
 - Development of policy towards Dormant Assets and Community Wealth Funds.
 - Response to the Domestic Abuse Commissioners annual report and, apparent, limited recognition of rural aspects of this difficult issue.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

- Treatment for VAT of energy saving materials used in community buildings (a major success in the 2024 Budget).
- Potential disadvantaging impact on people in rural areas of a proposed 'digital £'.
- Re-appraisal of the Index of Multiple Deprivation and potential revised guidance to ensure rural impacts of disadvantage are not under-weighted.
- Ensuring a rural civil society input to the voluntary sector's own collective campaigning through NCVO and the wider Civil Society Group.

II. **Improved investment in rural communities, especially housing and infrastructure.**

The ACRE Network is heavily involved at an operational level in both affordable housing and essential community infrastructure such as Village Halls. Our advice and evidence to policy makers in this area therefore draws substantially on this practical knowledge. There have been a good deal of important and complex policy issues arising in this area this year:

- We responded to the extensive and complex consultation on the future of the National Planning Policy Framework (NPPF) and linked policies. At all times our focus is on making it more possible for rural communities to add affordable housing that will help protect the future prospects of the community.
- As with the NPPF, the proposed replacement of the Community Infrastructure Levy was a large and complex set of proposals. We took the view that what was proposed could not be introduced towards the end of a Parliament without the risk of major unintended consequences.
- In a flurry of planning related consultations, the Government also consulted on major changes to the planning system under the title 'Plan making reforms'. We responded in a way consistent with our approach to the NPPF.
- We responded to proposed changes to the census and the population/migration statistics drawn from it. Overall, we believed it was not wise for the current generation in the ONS to take the decision to end the Census in its current form.
- We responded to a review of the Broadband Universal Service Obligation, a major issue for many small rural communities.
- Although it also comes under the heading of 'rural proofing', we have consistently pressed the case within the Smarter Regulation initiative that too strong a focus on growth as an overriding objective for regulation can have unintended consequences where the role of regulation is to mitigate potential market failure.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

- III. **Rural proofing.** Inevitably a good deal of the policy work in which ACRE is engaged comes under the heading of 'rural proofing'. In our policy review we have made the case for a much stronger Government sponsored approach – throughout Whitehall and local government – to rural proofing. However, until this comes fully into being, we and other rural organisations are inevitably seeking to fill this gap. Over the last year our partnership with Defra and other members of the Rural Coalition has strengthened this part of the charity's activities.
- Working with NCVO we pressed both Government, the Financial Conduct Authority (FCA) and the Competition and Markets Authority (CMA) to broaden the remit of the FCA and CMA to give them a stronger role where rural areas are disadvantaged by the workings of the market.
 - We responded to DHSC's consultation on delivery of secondary health services covered by the Major Conditions Strategy. The trend to consolidate and centralise services continues to work against people living in rural areas.
 - We briefed the Network on the key points of the Autumn Statement and its implications for rural areas.
 - An extension to funding of Early Years childcare places was announced in the 2023 Budget and details consulted over later in the year. This consultation took place during the summer school holidays and we both pressed for an extension and for greater thought to be given to arrangements for childcare in multi-use buildings.
 - Ofcom has carried out several consultations on the mail system, including the Universal Service Obligation (USO), some of which has been carried through into 2024-5. We have sought regulation to be used in order to create a big enough protected postal market to cross-subsidise the USO in rural areas.
 - The FCA has consulted on new arrangements, underpinned by new legislation, to ensure access to cash. Whilst this is important and we have supported their plans, it is only part of the disappearance of access to banking in rural areas and we have continued to lobby on this wherever the opportunity presents itself.
 - One of our most potentially valuable partnership within the voluntary sector is with Citizens Advice. We have commented on their work plan for 2024-5 and sought to assist them in prioritising issues of particular concern to rural communities.
- IV. **A just transition to Net-Zero.** Many of our responses to other rural policy concerns are informed by a forward-looking view that all Government decision should be contributing to helping people who live in rural areas transition to decarbonisation. We see this as an issue for all parts of Government to enable services to be delivered in a less centralised way and this understanding is woven in to our approach to all other policy. The specific opportunities are, therefore, few. We have responded to:

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

- Proposals for developing partnerships with local communities for onshore wind and solar electricity generation.
- The Net Zero Review carried out by Chris Skidmore MP for the Department for Energy Security and Net Zero.
- Proposals for changes to energy standing charges and the impact this may have on disadvantaged rural households in the transition to decarbonisation.
- Long term rural input to the Review of Energy Market Arrangements.

ACRE has also engaged in a range of other policy discussions of importance to rural communities. For example, early in the year the Government published a draft Bill in response to concerns that public premises are not adequately prepared for acts of terrorism. This was given the name "Martyn's Law", in honour of one of the victims of the Manchester Arena bombing in 2017. We worked actively with the Home Office, the Home Affairs Select Committee, the Voluntary and Community Sector Emergencies Partnership, proponents of the Bill and our members with the aim of ensuring any legislation would be proportionate to terrorism risks for Village Halls. By April 2024 the Bill had not been introduced, but all political parties had indicated their support for it in the new Parliament and we are remaining fully engaged as the new Government takes the proposals forward.

We have also been in discussions with the Environment Agency and other partners about how best to support farming and rural communities more widely to build resilience in response to the increasing challenges of climate change, with a particular focus on flooding. We expect this to continue after the General Election as we develop a plan of action and ways of working together.

3. In addition to overseeing the delivery of the **ACRE Network Agreement with Defra** which enables ACRE's 37 members (38 upon the registration of Kent ACRE) to focus practical support on rural communities across rural England, the organisation worked hard to maximise and improve the reporting and performance requirements contained in the current three-year funding agreement with Defra during the second year of its operation. The change from annual agreements to the current three-year agreement enables ACRE members to plan with greater certainty for the support of end beneficiaries and rural communities for this extended period.
4. ACRE continued to improve the **monitoring and evidence** gathering that supports and underpins the ACRE Network Agreement with Defra. With enhanced reporting, the continuing development of a bank of case studies and examples of best practice to evidence impact, ACRE has been able to demonstrate more clearly to Defra the value of the Agreement. Throughout the year, ACRE members have continued to support rural communities in addressing the challenges resulting from the cost-of-living crisis. ACRE has continued to develop closer links with the Defra team to ensure that grassroots intelligence from ACRE Members is used to inform decision making within Defra and other government departments.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

- ACRE administers the **Rural Community Buildings Loan Fund** of £700,000 on behalf of Defra, which provides financial support to village hall management committees to improve facilities for their communities. During 2023-24, 29 loans were live during the year, total capital repaid in the year was £75,392 and within this amount two loans were paid off in full. A total of three loans paid out in the year totalling £70,857. Total value of loans outstanding at year end was £294,751.
5. ACRE's **Village Hall Information and Advice Service** provided support for ACRE members during the year via the online platform, website and online meetings. Support has been offered to new advisers and ACRE members have been encouraged to reinstate regional meetings via Zoom. The agreement with Bates Wells Solicitors has provided legal support for halls at reduced cost. A focus for the year has been to review and revise CIO documentation in line with changes to the Charity Act and experiences of advisers. This is ongoing work. Maintaining relationships with our corporate sponsors, Utility Aid and Norris & Fisher, has been vital for the continuation of our service. Livestream events, video footage and support for Village Halls Week has been achieved as a result. Hallmaster also joined as a sponsor for Village Halls Week 2024. Our work, over the latter part of the year, involved promoting the Platinum Jubilee Village Halls Fund and the organisation of the face-to-face training event for hall advisers. We were delighted with the decision to bring village halls in line with domestic properties and award zero VAT on energy saving materials until March 2027. We had campaigned for this change for some time.
- **The Platinum Jubilee Village Halls Fund** met its targets for the year. Over 1,400 Stage 1 applications were received, 649 of those were invited to Stage 2. Two hundred and thirty-three applications were received and 113 grants totalling £1,689,535 were paid out. In February 2024 a small grants fund was launched and a further £5 million announced in the spring budget but this was subsequently put on hold due to the General Election.
6. During the year ACRE secured the support of **The National Archives** to assess the quality and value of material and records held by and loaned to ACRE collated over the past century, which can inform and give wider context to the current challenges and issues facing rural communities. ACRE is greatly indebted to the Network alumni and other supporters who have spent much time in facilitating this project. The archivists report and recommendations will be finalised during 2024-25. The **Halls for All** project, a publication charting 100 years of professional support for village halls, continues. A publisher has been identified with a publication date anticipated early in 2025.
7. During the year ACRE was commissioned by Defra to deliver a £2.5m package of funding to support a network of independent **Rural Housing Enablers (RHEs)** to work with communities to develop affordable housing schemes. Thirty four ACRE members, 90% of the membership, submitted proposals and are taking part in the programme. ACRE oversees the management and evaluation of the programme and the professional support for the network of RHEs. The advisors will help identify suitable development opportunities in communities, and support site owners and community representatives to navigate the planning system and create developments in rural areas that meet the needs of local people.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

8. Throughout the year **ACRE supported its members** by providing, guidance and advice and one to one strategic support for individual members facing specific challenges. Following the closure of its member in Kent, ACRE has been supporting a strategic review to consider how best to deliver ACRE Network services to communities in Kent in future. The results of this work indicated that there was both a need and a head of steam locally for the establishment of new organisation to focus on supporting rural communities locally with practical services whilst also acting as an advocate on their behalf with the key statutory and other stakeholders operating across the county. A 'founding' board of trustees has been established and discussions are ongoing with the local strategic partners over the details of the business plan and funding for the new entity. Charity Commission registration is being finalised in the late spring and the new organisation will shortly be able to deliver ACRE Network services in Kent.
- A [second survey of ACRE members](#) was undertaken, documenting their size, reach into rural communities, services offered, as well as their perception of local priorities and corporate risks. We learnt that members levered in approximately £40 million worth of investment into rural communities, provided over 30 different services to approximately 28,000 voluntary and community groups. The most common support being provided to rural community groups was for the smooth running of village halls, followed by health & wellbeing initiatives, community consultation & engagement and fundraising. The survey provides useful intelligence which ACRE is using to improve support and representation of members. It was encouraging to note from the survey that the ACRE Network remains robust, despite the very real financial and operational challenges of recent years.
 - With the now well-established practice of remote working, we further developed the use of the **digital platform Basecamp** to support collaboration across the Network and continued with the regular online monthly meeting of ACRE Member Chief Executives, established to improve communication and to promote mutual support. This year we also introduced twice yearly ACRE Member Chairs meetings, and have set up a Basecamp group to allow for mutual networking and support amongst ACRE Member Chairs and trustees.
9. **Online engagement has improved.** Our mailing list grew by 87% over the course of the year with 1,912 active subscribers at the end of March 2024. During this time, we circulated 13 press releases and six blogs which were opened on average by 58% of subscribers, up from 46% in the preceding 12 months. Our social media following has also increased, most notably on LinkedIn where it has almost doubled. We now have nearly 7,400 followers across all our social accounts. The ACRE website has been continually updated with new content throughout the year and has received about 6,000 visits per month, most of which have been to village halls content.
10. We held our annual ['Village Halls Week'](#) for the seventh year, but this year in March rather than January, in response to feedback from network colleagues. The chosen theme was 'go green', celebrating the things rural community buildings can do to promote environmental custodianship in their communities, from making their building more energy efficient to supporting environmental groups and initiatives locally. ACRE developed new re-usable branding for the campaign, produced a physical and digital campaign pack to help village hall management committees get involved, held a livestream to mark the beginning of the week, posted topical blogs, and shared relevant content from halls on social media.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

- We also published a new [Net Zero Design Guide](#) during the week, detailing how village halls can retrofit their buildings with energy efficiency in mind. The guidance was written for us by Stagg Architects and featured five halls who had already embarked on this journey. £29,500 in sponsorship was secured towards the production of the guidance from companies offering specialist products or services featured in the publication.
 - Over four hundred and thirty halls registered an interest in the campaign, of which 313 said they were planning on holding an open day/ event. It is not possible to say how many local events took place, however we spotted numerous posts from village halls throughout the week which demonstrated that those taking place were well attended. The largest event appears to have been a collaboration between Community Action Isle of Wight and the National Trust, held at Mottistone Manor Gardens, which was reported to have attracted over 600 visitors. In terms of online engagement, approximately 2,500 people visited the campaign homepage nearly 8,000 times since in the first three months of 2023 and posts on Facebook alone reached an estimated 14,500 people. In terms of media engagement, there were local reports published online in Cumbria, Devon, Derbyshire, Northumberland and Yorkshire. There were also BBC radio features in Wiltshire, Yorkshire and in the Tees Valley.
11. In May 2023, we published a public policy [briefing](#) which detailed how the cost-of-living crisis was being felt in the countryside. Drawing on available data, as well as examples from ACRE members, it sought to demonstrate how the pressures related to rising fuel prices, housing costs and limited access to services were having a cumulative and profound impact on lower income households.
12. We developed a comprehensive proposal for **developing the national village halls service** in response to feedback from network colleagues. The proposed plan sets out the additional resource and expertise ACRE needs to secure to research, develop, prototype, test and roll out new digital infrastructure that would improve the geographical consistency and quality of service halls can expect to receive, as well as making the service more financially sustainable.

As this overview highlights, 2023-24 has seen ACRE continue to adapt its delivery to embrace a more online and digital way of operating. Working with the challenges of limited staff capacity, a growing portfolio of activities and increasing demand for ACRE's services continues to test and also confirm the resilience, creativity and flexibility of the highly motivated staff team and specialist associates. They have continued to embrace new ways of working and, despite the challenges, have achieved an extensive range of laudable outcomes.

In common with other organisations ACRE has continued to feel the impact of a tight financial climate coupled with increasing and well documented inflationary and cost of living pressures. This continues to set a challenging and uncertain operating environment in England for infrastructure charities such as ACRE.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

Despite this uncertainty, engagement with Government has continued to grow and the future of the Defra agreement longer-term is looking positive. An in-depth, independent, evaluation commissioned by Defra of the ACRE Network agreement is indicating that the work delivered by ACRE members is highly valued on the ground and that the current delivery mechanism is both efficient and cost effective. The current 'in principle' multiyear Defra funding agreement enables both ACRE and its members to continue to plan both for the future support for rural communities, and the internal transformational change needed to ensure that the services and support available are relevant and sustainable in to the future.

Given this context strong governance and effective succession planning is critical, and the ACRE Board placed increased focus on both of these areas during the year. A review of governance against the Charity Governance Code concluded that governance arrangements were robust, but could be further strengthened by implementing a number of measures that have been brought together in a Governance Action Plan. This is now being implemented.

On succession planning, the Board set up a dedicated sub group which has focused on ensuring a smooth transition in leadership at both Executive and non-Executive level. As part of this, three new Member trustees were recruited, replacing a number of long serving trustees who had come to the end of their terms. We would like to thank them for their dedicated contributions.

The group also oversaw the transition to a new Chief Executive as Richard Quallington, ACRE's Executive Director, stepped down in May 2024 after nine years dedicated service to the organisation and the wider network. Richard worked tirelessly in support of ACRE's mission, always putting the needs, concerns and interests of rural communities at the heart of ACRE's work, and ably led the organisation through the challenges of Covid and the cost of living crisis, building ACRE's reputation with its members, with partners and with Government. The Board would like to thank Richard for his immense contribution to ACRE and the wider ACRE network.

Corinne Pluchino has been appointed as ACRE's new Chief Executive after a rigorous external selection process and joined ACRE in May after a smooth transition. She has over 25 years' experience of campaigning, communications and bringing coalitions together to deliver change and has worked in the private and third sectors, most recently as Chief Executive at Campaign for National Parks and Director of Fundraising, Marketing and Communications at WWT, the charity for wetlands and wildlife. Corinne has worked on many issues impacting rural communities, from healthcare, transport and development to agricultural transition and nature restoration.

Financial review

Basis of preparation

- The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities.
- Incoming resources are recognised once the charity has entitlement to the resources, it is certain the resources will be received, and the monetary value of the incoming resources can be measured with sufficient reliability.
- Resources expended – liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

- Grants payable are payments made to third parties in furtherance of the charitable objectives of the charity.

The directors report a net increase/surplus in total resources of £158,744 (31 March 2023 a net reduction of £391,686). The closing fund balances at the 31 March 2024 were £613,211.

The statement of financial activities (SOFA) shows that the total incoming resources for the year were £4,657,150 compared with £1,988,270 for the previous year.

During the year ACRE received £4,105,784 restricted income and £551,366 unrestricted income. A list of the restricted funds is included in note 18. All incoming resources for the year have been secured specifically to advance the charity's strategic objectives.

Reserves policy

The directors consider that the level of unrestricted reserves should be sufficient to invest in essential capacity during short-term funding shortfalls, allow time for reorganisation in the event of a longer-term downturn in income, protect ongoing work programmes and allow ACRE to meet its legal requirements. The target level for unrestricted reserves is £171,081 which is the equivalent of three months of the charity's general expenditure budget plus an allocation to allow for longer-term liabilities and contingencies and an additional element to support ACRE's research and development objectives and transformational change. Directors confirm that ACRE is in compliance with the agreed reserves policy.

The directors can also designate other unrestricted funds to ensure that ACRE can continue to operate effectively, meeting its anticipated liabilities and the development needs of the wider ACRE Network as it continues to focus on enhancing outcomes for end beneficiaries.

At 31 March 2024, the total reserves were:	£613,211
Restricted funds:	£128,178
Designated funds:	£22,000
General funds:	£463,033

Principal funding sources

The majority of ACRE's funding for 2023-24 came from 'a grant in aid' agreement from Defra: over 95% of which was directly allocated to local organisations to deliver work at a county level. The main other source of income was derived from membership fees paid by the ACRE members. This funding was used to support ACRE's key themes of activity.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

Plans for future periods

Key objectives for 2024-25

ACRE will begin work on its new strategy for 2025-30 which will include a fundamental review of the environment we are working in, including the key economic, social and cultural trends that are impacting rural communities, and set out a clear theory of change and resource plan for the future. A key part of this process will be to engage the ACRE Network and other stakeholders as we develop our thinking to ensure that we include a variety of perspectives and can maximise our impact for our beneficiaries.

ACRE trustees will continue to build on the governance review undertaken during last year by implementing and reviewing the resulting Governance Action Plan. Continuing the emphasis on effective succession planning, The Board will be refreshing its membership using external recruitment over the summer months to fill three vacancies for independent trustees in preparation for the AGM in the autumn. We will be seeking to increase the diversity of our board members in terms of their lived experience and professional expertise.

In the meantime in 2024-25 our existing corporate plan will continue to set the strategic framework for the organisation whilst the annually reviewed operational plan will drive forward its delivery. Our role will continue to be focused on 'all people living in rural areas of England but especially those who are at risk of isolation and disadvantage and for whom rurality brings an additional challenge and cost to their daily lives'. We anticipate that ACRE's work will continue to concentrate on:-

- Gathering evidence and conducting research to improve outcomes for rural communities;
- Articulating a voice for rural communities at a national level;
- Influencing decisions that impact on rural communities;
- Delivering programmes through our members which directly improve the lives of our beneficiaries, and which increase the resilience of rural communities.

During the year ACRE will continue to assess the impact that government policy and wider economic, social and environmental trends might have on its end beneficiaries in rural communities and how its own role in relation to supporting the work of members might need to evolve and change as a result. This has already included preparing for the General Election and conducting a detailed assessment of all the main party manifestos as well as the new Government's early announcements. We will continue to engage with the new Government and Parliament and support our members to work with their constituency MPs, as well as working with a wide range of partners, to address the needs of rural communities and especially those most disadvantaged by rurality.

ACRE will move to the next stage in a review of the delivery of its national village and community halls service and will bring forward plans for the future resourcing and development of that service. We will conduct a network wide survey to ascertain the challenges and opportunities facing members of the ACRE Network and will also aim to build and enhance the long-established rural housing enabling work undertaken by members and others to increase the supply of affordable homes in communities across rural England.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

Funds held as custodians

Defra investment in the ACRE Network

A further year of investment to enable the ACRE Network to deliver support to rural communities within the key Defra priority themes was secured. The investment in support of rural communities through ACRE members amounted to £1,633,651 during the year. ACRE, as the national umbrella body of The ACRE Network, was the accountable body for these funds.

ANPAC

ACRE has held funds on behalf of the National Parks Residents Association (ANPAC) for use only as designated by them. The Association did not draw down from this fund during 2023-24.

Rural Communities Buildings Loan Fund

ACRE administers the Rural Communities Buildings Loan Fund on behalf of Defra. This fund previously known as the Village Hall Loan Fund has been in existence since the 1930s.

Rural Coalition

ACRE undertakes the secretariat for the Rural Coalition. The funds from the Rural Coalition are carried forward to activity planned for 2024-25 and are included as a conduit funding creditor as detailed in note 19.

Platinum Jubilee Grant Fund

ACRE administers the Platinum Jubilee Village Hall Grant Fund on behalf of Defra.

Structure, governance and management

Organisational structure

Action with Communities in Rural England (ACRE) is a company limited by guarantee (number 3336101) with a Board of Directors elected at general meetings by its 37 members (38 upon the registration of Kent ACRE), and in accordance with the Articles of Association adopted on 18 June 2014 and amended on 29 November 2016 and 27 November 2018.

Governance

The Board of Directors is responsible for the governance and the management of ACRE. The ACRE Board consists of not less than six but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The chair is elected at the AGM by the members. All directors have an induction into the organisation. In line with ACRE's governing documents the board is refreshed on a regular and systematic basis with members serving a maximum of seven years without a break of at least one year.

During the year all directors gave of their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity and any instances where directors have received benefit from the charity for specific services, as permitted under clauses 4 (2) and 4 (3), are set out in notes 6 and 21 to the accounts.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

Management

The staffing structure at ACRE has focused on retaining capacity to support the operational and leadership requirements of the organisation; a flatter more empowering management structure remains in place as is appropriate for a small staff team. The Chief Executive retains responsibility for operational decisions and for delivering the organisation's strategic objectives and operational plan. There are currently no plans to expand the team appreciably in the foreseeable future although there are issues of succession for some roles in the short to medium term.

Risk management

The directors are committed to a regular review of the major strategic, business and operational risks which ACRE faces, with a view to ensuring that appropriate systems and procedures are in place to minimise these risks. In particular the risk of government reducing or ceasing its funded relationship with the ACRE Network is considered carefully by the ACRE board on a regular basis during the year and mitigating actions including; identifying and exploring alternative sources of funding and developing new partnership arrangements with key stakeholders; the establishment and development of Cirican (the ACRE Network's consultancy arm) have been investigated and continue to be pursued as part of the organisation's ongoing plans. This and other risks to the fulfilment of ACRE's strategic priorities are kept under constant review by the directors via the risk register which is reviewed periodically.

The financial challenges originally occasioned by the pandemic have substantially given way to the current cost of living difficulties, inflationary pressures, and a very tight financial climate. Trustees have kept, and continue to keep, these additional pressures under constant review, especially so in relation to managing the risk to ACRE of staff turnover resulting in loss of capacity and skills to support the organisation and its work. However, the current remuneration policy and ongoing grant funding from Defra and other funders, combined with the current healthy level of unrestricted reserves, provides a reasonable level of confidence and reassurance that any challenges will have a manageable impact on the organisation's performance and longer-term financial position.

Register of interests

All Board members complete an annual declaration of interests in compliance with the Conflict of Interest Policy. This is updated as required during the year. Board members are required to declare any related interest in decisions at the start of all Board meetings, or thereafter if relevant topics arise.

Related parties and connected organisations

ACRE receives membership subscriptions from its members. In addition, ACRE works with members on joint initiatives. During 2023-24 a total of £1,633,651 was committed to members through the Defra/ACRE Investment Programme.

Whilst some of the directors elected are also directors or chief executives of ACRE members, within an ACRE context they have no influence over business transactions between members and ACRE.

Remuneration Policy

ACRE recognises that the delivery of its mission and strategic priorities is largely dependent upon the skills, knowledge and experience of its staff. It is therefore committed to ensuring that the staff are provided with appropriate remuneration to encourage and enhance performance and, in a fair and responsible manner, are rewarded for their contributions to the success of the charity. The salaries of ACRE staff are reviewed on an annual basis in the light of inflationary pressures. Directors consider

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

this information alongside the affordability for ACRE to inform and adjust salaries and remuneration accordingly.

Where appropriate, ACRE employs freelance contractors to undertake specific activities for the organisation. These include policy and research, programme development, training, marketing and governance support. Directors ensure that whilst the associated remuneration is sufficient to attract individuals with the skills, experience and competencies required, rewards are also benchmarked against sector averages for similar activity and levels of responsibility.

Grant-making policy

ACRE administers grants on behalf of other charitable trusts and government organisations that further the charity's objectives. The grant-making processes are agreed with the funders from the outset. Grants are paid on respective merits and follow transparent and rational processes. ACRE's unrestricted funds are not used for grant-making purposes, unless by resolution by the directors. Arrangements are in place to segregate grant-making decisions ensuring conflicts of interests are avoided in the governance of ACRE.

Fund raising policy

ACRE does not engage in any direct fundraising from members of the public and does not employ fundraisers. However, the directors are aware of the fundraising requirements and the code of fundraising practice and ensure that the charity is compliant with the code in all its fund-raising activities.

ACRE members at 31 March 2024

ACTion with Communities in Cumbria	Cornwall Rural Community Charity
Action Hampshire	Devon Communities Together
Action in rural Sussex	Dorset Community Action
Bedfordshire Rural Communities Charity	Durham Community Action
Cambridgeshire ACRE	GRCC Community Action in Gloucestershire
Cheshire Community Action	Humber & Wolds Rural Action
Community Action Isle of Wight	Northamptonshire ACRE
Community Action Norfolk	Rural Community Action Nottinghamshire
Community Action Northumberland	Rural Action Derbyshire
Community Action Suffolk	Rural Community Council of Essex
Community Council for Somerset	Rural Community Council (Leicestershire & Rutland)
Community Development Action Hertfordshire	Community Resource (Shropshire)
Community First in Herefordshire and Worcestershire	Support Staffordshire
Community First Oxfordshire	Surrey Community Action
Community First, Wiltshire	Tees Valley Rural Action
Community First Yorkshire	Warwickshire Rural Community Council
Community Futures, Lancashire	West of England Rural Network
Community Impact Bucks	YMCA Lincolnshire (incorporating Community Lincs)
Connecting Communities in Berkshire	

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

Statement of Directors' responsibilities

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

Company law requires the directors 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 these financial statements, the directors 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the directors are aware:

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

The directors 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.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

The Directors

Directors, who are also directors under company law, who served during the year and up to the date of this report were as follows:

		Number of Board meetings attended during the year;
Ivan Annibal	Joined February 2017	3/5
Louise Beaton OBE	Joined February 2017	5/5
James Blake	Chair – Elected November 2022	5/5
Charles Coates	Joined November 2017	5/5
Jane Colthup	Joined February 2024	1/1
Elaine Cook	Retired September 2023	1/2
Nigel Curry	Retired November 2023	2/4
Sue Dovey	Joined November 2018 Elected Vice-Chair November 2023	4/5
Dominic Driver	Vice Chair - Retired November 2023	4/4
Garry Jones	Joined November 2023	1/1
Sarah Morland	Joined February 2024	1/1
Gavin Parker	Joined February 2023 Elected Vice Chair November 2023	5/5
Doff Pollard	Retired November 2023	2/4
Janet Thornton MBE	Vice Chair – Retired November 2023	2/4
Jim Webster	Joined November 2018	3/5.

Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2024 was 38 (2023: 37). The Directors have no beneficial interest in the charitable company.

Action with Communities in Rural England

Report of the trustees

For the year ended 31 March 2024

Auditors

Following a market testing exercise in 2022 Godfrey Wilson Ltd was reappointed as the charitable company's auditors.

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

Approved by the Directors on 7 October 2024 and signed on their behalf by



James Blake – Chair

Independent auditors' report

To the members of

Action with Communities in Rural England

Opinion

We have audited the financial statements of Action with Communities in Rural England (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 the provisions available for small entities, in the circumstances set out in note 6 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent auditors' report

To the members of

Action with Communities in Rural England

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report

To the members of

Action with Communities in Rural England

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation 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 risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

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. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Independent auditors' report

To the members of

Action with Communities in Rural England

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

Use of our report

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

Alison Godfrey

Date: 8 October 2024

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Action with Communities in Rural England

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

For the year ended 31 March 2024

	Note	Restricted £	Unrestricted £	2024 Total £	2023 Total £
Income from:					
Donations and legacies		-	22	22	320
Charitable activities:					
<i>Charitable activities</i>	3	4,105,784	537,949	4,643,733	1,986,466
<i>Services and sales</i>		-	940	940	333
Investments		-	12,455	12,455	1,151
Total income		<u>4,105,784</u>	<u>551,366</u>	<u>4,657,150</u>	<u>1,988,270</u>
Expenditure on:					
Raising funds		-	4,050	4,050	7,722
Charitable activities:					
<i>Charitable activities</i>		3,994,165	498,731	4,492,896	2,370,563
<i>Services and sales</i>		-	1,460	1,460	1,671
Total expenditure	5	<u>3,994,165</u>	<u>504,241</u>	<u>4,498,406</u>	<u>2,379,956</u>
Net income / (expenditure)		111,619	47,125	158,744	(391,686)
Transfers between funds		<u>204</u>	<u>(204)</u>	<u>-</u>	<u>-</u>
Net movement in funds	6	111,823	46,921	158,744	(391,686)
Reconciliation of funds:					
Total funds brought forward		<u>16,355</u>	<u>438,112</u>	<u>454,467</u>	<u>846,153</u>
Total funds carried forward		<u><u>128,178</u></u>	<u><u>485,033</u></u>	<u><u>613,211</u></u>	<u><u>454,467</u></u>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in note 18 to the accounts.

Action with Communities in Rural England

Balance sheet

As at 31 March 2024

	Note	£	2024 £	2023 £
Fixed assets				
Tangible assets	9		693	1,290
Mixed motive investments	10		3,000	3,000
			3,693	4,290
Current assets				
Debtors	11	431,833		302,485
Cash at bank and in hand		1,129,195		915,509
		1,561,028		1,217,994
Liabilities				
Creditors: amounts falling due within 1 year	12	(951,510)		(767,817)
Net current assets			609,518	450,177
Net assets			613,211	454,467
Funds				
Restricted funds	18		128,178	16,355
Unrestricted funds:				
<i>Designated funds</i>			22,000	17,000
<i>General funds</i>			463,033	421,112
Total charity funds			613,211	454,467

These accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 7 October 2024 and signed on their behalf by



James Blake - Chair

Action with Communities in Rural England

Statement of cash flows

For the year ended 31 March 2024

	2024	2023
	£	£
Cash used in operating activities:		
Net movement in funds	158,744	(391,686)
Adjustments for:		
Depreciation charges	597	463
Dividends, interest and rents from investments	(12,455)	(1,151)
Decrease / (increase) in debtors	(133,883)	7,191
Increase / (decrease) in creditors	183,693	(6,191)
Net cash provided by / (used in) operating activities	196,696	(391,374)
Cash flows from investing activities:		
Dividends, interest and rents from investments	12,455	1,151
Purchase of tangible fixed assets	-	(1,386)
Net cash provided by / (used in) investing activities	12,455	(235)
Cash flows from financing activities:		
Cash outflows from Rural Community Buildings Loan Fund loans issued	(70,857)	(70,868)
Cash inflows from Rural Community Buildings Loan Fund loans repaid	75,392	74,623
Net cash provided in financing activities	4,535	3,755
Increase / (decrease) in cash and cash equivalents in the year	213,686	(387,854)
Cash and cash equivalents at the beginning of the year	915,509	1,303,363
Cash and cash equivalents at the end of the year	1,129,195	915,509

The charity has not provided an analysis of changes in net debt as it does not have any long term financing arrangements.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

1. Accounting policies

a) General information and basis of preparation

Action with Communities in Rural England is a charitable company limited by guarantee registered in England and Wales. The registered office address is 2 The Quadrangle, Banbury Road, Woodstock, Oxfordshire, OX20 1LH.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities in preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

b) Going concern basis of accounting

The accounts have been prepared on the assumption that the charity is able to continue as a going concern, which the trustees consider appropriate having regard to the current level of unrestricted reserves. There are no material uncertainties about the charity's ability to continue as a going concern.

c) Income

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

Income from the 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 provision of services is deferred until criteria for income recognition are met.

d) Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item, is probable and the economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

e) Interest receivable

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

f) Funds accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

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

h) Allocation of support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Governance costs are the costs associated with the governance arrangements of the charity, including the costs of complying with constitutional and statutory requirements and any costs associated with the strategic management of the charity's activities. These costs have been allocated based on an estimate of staff time attributable to each activity as follows:

	2024	2023
Raising funds	1.0%	2.2%
Charitable activities	83.6%	82.1%
Services and sales	0.3%	0.5%
Governance costs	15.1%	15.2%

i) Tangible fixed assets

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Fixtures and fittings	3 years straight line
-----------------------	-----------------------

Items of equipment are capitalised where the purchase price exceeds £500.

j) Mixed motive investments

Mixed motive investments represent the charitable company's partner interest in Cirican LLP, which the trustees consider to have the dual objective of both financial return and furtherance of charitable objects. The investment is carried at fair value through the income and expenditure account. The LLP is an unquoted investment vehicle and a degree of judgement is required in assessing the fair value. At initial recognition the fair value is deemed to be the transaction amount. A review for impairment is carried out annually.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

k) Debtors

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

l) 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.

m) Creditors

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.

n) Conduit funding

Conduit funds are monies received for third parties and do not belong to the charity. The incoming funds and outgoing payments are excluded from the Statement of Financial Activities. Any conduit funds in hand at the year end are shown as creditors in the accounts.

o) Financial instruments

The charitable company 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 with the exception of bank loans which are subsequently recognised at amortised cost using the effective interest method.

p) Pension costs

The company operates a defined contribution pension scheme for its employees. There are no further liabilities other than that already recognised in the SoFA.

q) Operating leases

Rental charges are charged on a straight line basis over the lease term.

r) Grants payable

Grants which have been authorised and paid are included as expenditure in the SoFA. Grants which have been authorised but not yet paid are accrued in the balance sheet and are included within creditors.

s) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

s) Accounting estimates and key judgements (continued)

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below:

Mixed motive investments

As described in note 1(j) to the financial statements, mixed motive investments are carried at their fair value. However, the current investment is an unquoted investment vehicle and a degree of judgement is required in assessing its fair value.

2. Prior period comparatives: statement of financial activities

	Restricted	Unrestricted	2023 Total
	£	£	£
Income from:			
Donations and legacies	-	320	320
Charitable activities:			
<i>Charitable activities</i>	1,645,076	341,390	1,986,466
<i>Services and sales</i>	-	333	333
Investments	-	1,151	1,151
Total income	1,645,076	343,194	1,988,270
Expenditure on:			
Raising funds	-	7,722	7,722
Charitable activities:			
<i>Charitable activities</i>	1,998,120	372,443	2,370,563
<i>Services and sales</i>	-	1,671	1,671
Total expenditure	1,998,120	381,836	2,379,956
Net expenditure	(353,044)	(38,642)	(391,686)
Transfers between funds	(1,304)	1,304	-
Net movement in funds	(354,348)	(37,338)	(391,686)

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

3. Income from charitable activities

	Restricted £	Unrestricted £	2024 Total £
Defra - ACRE network agreeemnt	1,633,000	79,000	1,712,000
Defra - Platinum Jubilee Village Hall	1,696,356	98,844	1,795,200
Defra - Rural Housing Enabler	767,428	90,803	858,231
Rural communities buildings loan fund	-	20,000	20,000
Tudor Trust	5,000	-	5,000
Coyler-Fergusson	4,000	-	4,000
Village Hall Design Guide on Energy Efficiency	-	29,500	29,500
Utility Aid	-	10,000	10,000
Norris & Fisher	-	10,000	10,000
Conferences	-	15,170	15,170
Hallmaster	-	2,000	2,000
Membership	-	182,632	182,632
Total income from charitable activities	4,105,784	537,949	4,643,733

3. Income from charitable activities

Prior period comparative

	Restricted £	Unrestricted £	2023 Total £
Defra - ACRE network agreeemnt	1,633,000	79,000	1,712,000
Rural communities buildings loan fund	-	20,000	20,000
Big Lottery Digital Infrastructure	8,333	-	8,333
Utility Aid	-	10,000	10,000
Norris & Fisher	-	5,000	5,000
Ansvar	-	5,000	5,000
Conferences	-	10,771	10,771
Tennyson Insurance (Zurich)	-	7,500	7,500
Platinum Jubilee Village Hall Fund (DEFRA)	-	28,274	28,274
Interest from VHIG account	43	-	43
DEFRA Health & Social Care	-	2,500	2,500
Rural Coalition	3,700	-	3,700
Membership	-	173,345	173,345
Total income from charitable activities	1,645,076	341,390	1,986,466

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

4. Government grants

The charitable company received government grants during the year, defined as funding from the Department for Environment, Food & Rural Affairs (DEFRA), to fund charitable activities. The total value of these grants is shown below. There were no unfulfilled conditions or contingencies attaching to these grants in the current or prior year.

	2024 £	2023 £
Defra - ACRE network agreeemnt	1,712,000	1,712,000
Defra - Platinum Jubilee Village Hall	1,795,200	-
Defra - Rural Housing Enabler	858,231	-
National Lottery Community Fund	-	8,333
	<u>4,365,431</u>	<u>1,720,333</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

5. Total expenditure

Charitable activities

	Raising funds £	Charitable activities £	Services and sales £	Governance costs £	Support costs £	2024 Total £
Staff costs (note 7)	1,816	162,316	475	29,224	75,855	269,686
Direct costs	23	145,677	465	39,536	29,429	215,130
DEFRA grant to ACRE network (note 16)	-	1,633,651	-	-	-	1,633,651
Platinum Jubilee Village Hall grants (note 16)	-	1,689,535	-	-	-	1,689,535
Rural housing enabler grants (note 16)	-	655,789	-	-	-	655,789
Rural Coalition expenditure	-	9,689	-	-	-	9,689
Overheads	227	18,947	-	714	5,038	24,926
Sub-total	2,066	4,315,604	940	69,474	110,322	4,498,406
Allocation of support costs	1,034	92,383	270	16,635	(110,322)	-
Allocation of governance costs	950	84,909	250	(86,109)	-	-
Total expenditure	4,050	4,492,896	1,460	-	-	4,498,406

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

5. Total expenditure Prior period comparative	<i>Charitable activities</i>					2023 Total £
	Raising funds £	Charitable activities £	Services and sales £	Governance costs £	Support costs £	
Staff costs (note 7)	3,882	142,668	962	26,410	60,392	234,314
Direct costs	-	95,236	96	18,886	26,144	140,362
DEFRA grant to ACRE network (note 16)	-	1,632,675	-	-	-	1,632,675
Village hall improvement grants (note 16)	-	346,741	-	-	-	346,741
Rural coalition expenditure	-	3,686	-	-	-	3,686
Overheads	428	15,971	4	1,232	4,543	22,178
Sub-total	4,310	2,236,977	1,062	46,528	91,079	2,379,956
Allocation of support costs	2,031	74,812	410	13,826	(91,079)	-
Allocation of governance costs	1,381	58,774	199	(60,354)	-	-
Total expenditure	7,722	2,370,563	1,671	-	-	2,379,956

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

6. Net movement in funds

This is stated after charging:

	2024	2023
	£	£
Depreciation	597	463
Operating lease payments:		
▪ Property	12,490	12,262
▪ Other	1,215	1,677
Trustees' remuneration	2,700	1,140
Trustees' expenses	7,500	5,133
Auditors' / Independent examiner's remuneration:		
▪ Statutory audit (excluding VAT)	6,700	4,950
	<u>6,700</u>	<u>4,950</u>

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statements.

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £7,500 (2023: £5,133) incurred by 13 (2023: 12) trustees relating to attendance at meetings of the trustees.

Trustees' remuneration is detailed in note 21 to the accounts.

7. Staff costs and numbers

Staff costs were as follows:

	2024	2023
	£	£
Salaries and wages	123,080	112,408
Social security costs	12,800	12,360
Pension costs	9,109	8,318
Freelance staff	124,697	101,228
	<u>269,686</u>	<u>234,314</u>

No employee earned more than £60,000 during the year.

Total employee benefits including pension contributions and freelance staff costs paid to key management personnel during the year totalled £101,987 (2023: £85,251).

	2024	2023
	No.	No.
Average head count:	<u>3.3</u>	<u>3.0</u>

8. Taxation

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

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

9. Tangible fixed assets

	Computer equipment £
Cost	
At 1 April 2023	6,220
Additions in year	-
Disposals	-
	<hr/>
At 31 March 2024	6,220
Depreciation	
At 1 April 2023	4,930
Charge for the year	597
On disposals	-
	<hr/>
At 31 March 2024	5,527
Net book value	
At 31 March 2024	693
	<hr/> <hr/>
At 31 March 2023	1,290
	<hr/> <hr/>

10. Mixed motive investments

	2024 £	2023 £
Investment in Cirican LLP	3,000	3,000
	<hr/> <hr/>	<hr/> <hr/>

During 2020, ACRE made an investment of £3,000 into Cirican LLP. The objective of Cirican is to enable ACRE and those members who are involved in Cirican to tender for larger national research contracts that play to the members' skills and experience, for both financial return and furtherance of charitable purposes.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

11. Debtors

	2024 £	2023 £
Trade debtors	12,596	-
Loans to rural community buildings under loan scheme (note 14)	294,751	299,295
Prepayments	2,339	1,760
Accrued income	97,192	-
VAT debtor	2,863	-
Other debtors	22,092	1,430
	<u>431,833</u>	<u>302,485</u>

Amounts due after more than one year included in:

Loans to rural community buildings under loan scheme	<u>189,543</u>	<u>231,638</u>
--	----------------	----------------

12. Creditors: amounts due within 1 year

	2024 £	2023 £
Rural community buildings loan fund (note 14)	700,000	700,000
Trade creditors	36,984	34,354
Taxation and social security	6,066	5,201
Other creditors	6,433	562
Accruals	16,958	12,550
Conduit funding (note 19)	5,740	-
Deferred income (note 15)	12,192	15,150
Grant commitments (note 13)	167,137	-
	<u>951,510</u>	<u>767,817</u>

13. Grant commitments

	2024 £	2023 £
Grant commitments at 1 April	-	42,980
Grant commitments made (note 16)	3,978,975	1,979,416
Grants disbursed	3,811,838	(2,022,396)
	<u>167,137</u>	<u>-</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

14. Rural community buildings loan fund

Rural community building loan fund administered by ACRE on behalf of DEFRA:

	2024 £	2023 £
Funds advanced by DEFRA at 1 April 2023 (note 12)	<u>700,000</u>	<u>700,000</u>
Loans to rural community buildings:		
Outstanding at 1 April	299,295	303,050
Loaned during the year	70,857	70,869
Repaid during the year	<u>(75,401)</u>	<u>(74,624)</u>
Outstanding loans at 31 March (note 11)	<u>294,751</u>	<u>299,295</u>
Bank deposit on hand at 31 March 2024 less interest payable to DEFRA	<u>405,249</u>	<u>400,705</u>

15. Deferred income

	2024 £	2023 £
At 1 April 2023	15,150	2,500
Deferred during the year	12,192	(2,500)
Released during the year	<u>(15,150)</u>	<u>15,150</u>
At 31 March 2024	<u>12,192</u>	<u>15,150</u>

Deferred income relates to Village Hall Advisors training event and Corporate Sponsorship income received in advance.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

16. Grants payable

During the year, ACRE made the following grants to institutions:

	2024	2023
	£	£
DEFRA grants to ACRE network		
Action Hampshire	44,675	44,675
Action in Rural Sussex	47,395	47,395
Action with Communities in Cumbria	49,265	49,265
Action with Communities in Rural Kent	-	37,148
Bedfordshire Rural Communities Charity	35,840	35,840
Cambridgeshire ACRE	44,180	44,180
Cheshire Community Action	39,500	39,500
Connecting Communities in Berkshire	34,840	34,840
Community Action Isle of Wight	33,840	33,840
Community Action Norfolk	50,995	50,995
Community Action Northumberland	42,405	42,405
Community Action Suffolk	45,310	45,310
Community Council for Somerset	44,060	44,060
Community Development Action Hertfordshire	38,065	38,065
Community First in Herefordshire and Worcestershire	43,930	43,930
Community First Oxfordshire	39,640	39,640
Community First, Wiltshire	41,095	41,095
Community First Yorkshire	69,720	69,720
Community Futures, Lancashire	44,240	44,240
Community Impact Bucks	39,000	39,000
Lincolnshire YMCA Ltd (Community Lincs)	49,030	49,030
Cornwall Rural Community Charity	45,670	45,670
Devon Communities Together	53,145	53,145
Dorset Community Action	41,255	41,255
Durham Community Action	42,585	42,585
GRCC Community Action in Gloucestershire	39,220	39,220
Humber & Wolds Rural Action	41,965	41,965
Northamptonshire ACRE	40,280	40,280
Rural Action Derbyshire	44,200	44,200
Rural Community Action Nottinghamshire	40,580	40,580
Rural Community Council (Leicestershire & Rutland)	41,200	41,200
Rural Community Council of Essex	46,875	46,875
Community Resource (Shropshire)	40,135	40,135
Support Staffordshire	42,405	42,405
Surrey Community Action	38,735	38,735
Tees Valley Rural Action	34,235	34,235
WRCC (Warwickshire Rural Community Council)	37,635	37,635
West of England Rural Network	36,325	36,325
Resource for the continuation of support for Kent rural communities	50,181	12,057
	1,633,651	1,632,675

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

16. Grants payable (continued)

	2024	2023
	£	£
Platinum Jubilee Village Hall Grants		
Adastra (Hassocks CA)	10,278	-
Aldenham Memorial Hall, Hertfordshire	8,461	-
Allerthorpe, Humber & Wolds	10,000	-
Amberley with North Stoke Church Hall, Sussex	7,500	-
Ampleforth Village Hall, Yorkshire	8,509	-
Appleton Thorn, Cheshire	8,178	-
Armathwaite, Cumbria	8,949	-
Ashill Village Hall, Somerset	11,226	-
Bedwyn Village Hall, Wiltshire	25,000	-
Billbrook, Suffolk	10,545	-
Bishopstone, Buckinghamshire	22,007	-
Bomere Heath, Shropshire	8,498	-
Bradden Village Hall, Northamptonshire	5,000	-
Bratton Church Institute, Wiltshire	7,500	-
Burton in Lonsdale	19,315	-
Bythorn Village Hall, Cambridgeshire	16,500	-
Cambo Village Hall, Northumberland	10,078	-
Caryford, Somerset	75,000	-
Cassington Village Hall, Oxfordshire	4,722	-
Castle Acre VH, Norfolk	9,000	-
Chittlehamholt Village Hall, Devon	7,804	-
Church Eaton Village Institute, Staffordshire	4,839	-
Copythorne, Hampshire	7,966	-
Cornworthy Village Hall, Devon	10,000	-
Crantock, Cornwall	17,289	-
Danby Village Hall, Yorkshire	9,600	-
Donisthorpe, Leicestershire	75,000	-
Dormansland, Surrey	15,000	-
Dorstone Village Hall, Herefordshire	8,500	-
Duxford VH, Cambridgeshire	15,640	-
Eversley VH, Hampshire	7,500	-
Falfield Village Hall, South Gloucestershire	23,860	-
Ferring, Sussex	9,495	-
Fishburn Youth & Community Centre	25,000	-
Goldhanger Village Hall, Essex	8,400	-
Great Denham, Bedfordshire	11,289	-
Great Finborough, Suffolk	8,000	-
Great Horwood Village Hall, Buckinghamshire	40,349	-
Guarford Village Hall	7,680	-
Haddenham, Buckinghamshire	16,989	-
Hanna's Field Charity, Essex	8,000	-
Hartland Parish Hall, Devon	7,937	-
Hickling Barn, Norfolk	13,668	-
Hinderclay, Suffolk	7,500	-
	<hr/>	<hr/>
Sub total	653,571	-

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

16. Grants payable (continued)

	2024	2023
	£	£
Platinum Jubilee Village Hall Grants (continued)		
Sub total brought forward	653,571	-
Hollym, Humber & Wolds	10,704	-
Holme CC, Yorkshire	23,550	-
Hutton Roof Village Hall, Cumbria	30,632	-
Hyde, Hampshire	19,000	-
Jevington, Sussex	12,441	-
Kilburn, Yorkshire	20,855	-
Lady Alice Memorial Hall, Somerset	19,440	-
Lambeage Village Hall, Cornwall	32,000	-
Lanreath Village Hall, Cornwall	9,921	-
Little Thetford, Cambridgeshire	18,500	-
Litton Village Hall, Somerset	7,610	-
Longworth Village Hall, Oxfordshire	8,541	-
Lord Thurlow Hall, Suffolk	8,163	-
Lover CC, Wiltshire	10,600	-
Lower Withington Village Hall, Cheshire	10,218	-
Lyonshall Village Hall	10,000	-
Maker with Rame, Cornwall	9,192	-
Mariansleigh, Devon	8,283	-
Mawnan Smith Memorial Hall, Cornwall	7,500	-
Medbourne Memorial Hall, Leicestershire	12,000	-
Menheniot Village Hall, Cornwall	39,173	-
Meshaw Village Hall, Devon	26,558	-
Newton Valence, Hampshire	32,000	-
Peak Forest Reading Room, Derbyshire	8,000	-
Quarnford & Healthylee Memorial Hall, Staffordshire	10,374	-
Rifle Hall Trust, Suffolk	15,202	-
Ruishton, Somerset	10,311	-
Sawbridgeworth, Hertfordshire	72,000	-
Seaton Sluice, Northumberland	8,292	-
Sessay Village Hall, Yorkshire	32,265	-
Settle, Yorkshire	18,000	-
Shapwick Village Hall, Somerset	16,000	-
Shedfield Reading Room, Hampshire	12,000	-
Shenstone, Staffordshire	9,213	-
Shillingford & Petton, Devon	15,971	-
Shrivenham Village Hall, Oxfordshire	20,000	-
Snape Village Hall, Yorkshire	7,500	-
St Mabyn Peace Memorial Hall, Cornwall	21,000	-
St. George's Parish Centre, Somerset	8,951	-
St. Newlyn East Mem Hall, Cornwall	15,916	-
St. Paulinus Centre, Kent	7,267	-
Stevington Community Hub, Bedfordshire	19,525	-
Sub total	1,368,239	-

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

16. Grants payable (continued)

	2024	2023
	£	£
Platinum Jubilee Village Hall Grants (continued)		
Sub total brought forward	1,368,239	-
Stewkley VH, Buckinghamshire	23,506	-
Sunnyside, Kent	9,123	-
Takeley Silver Jubilee Hall, Essex	20,000	-
Toppin Memorial Hall (John Castlehow), Cumbria	33,600	-
Troon Village Hall, Cornwall	40,500	-
Walton Village Hall, Yorkshire	28,850	-
Weston Sub Edge, Gloucestershire	12,500	-
Whimple Village Hall, Devon	12,824	-
Whitley, Yorkshire	14,120	-
Whixley Village Hall, Yorkshire	23,000	-
Wilshaw Village Hall, Yorkshire	13,407	-
Withersfield, Suffolk	9,451	-
Wootton Village Hall, N.Lincolnshire	3,266	-
Wormingford, Essex	12,776	-
Worminghall, Buckinghamshire	18,000	-
Wretham, Norfolk	23,238	-
Yarlington, Somerset	15,000	-
Yeolmbridge, Cornwall	8,135	-
	<u>1,689,535</u>	<u>-</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

16. Grants payable (continued)

	2024	2023
	£	£
Rural Housing Enabler Fund		
ACRE member in:		
Bedfordshire	23,844	-
Berkshire	35,251	-
Buckinghamshire	19,610	-
Cambridgeshire	35,225	-
Cheshire	33,530	-
Cornwall	6,000	-
Cumbria	31,425	-
Derbyshire	6,128	-
Devon	35,670	-
Dorset	26,969	-
Durham	23,994	-
Essex	17,533	-
Gloucestershire	35,598	-
Hampshire	39,046	-
Herefordshire	5,000	-
Hertfordshire	3,457	-
Humber & Wolds	2,687	-
Isle of Wight	25,006	-
Lancashire	17,405	-
Leicestershire	6,015	-
Norfolk	6,580	-
Northamptonshire	16,662	-
Northumberland	25,750	-
Oxfordshire	34,506	-
Shropshire	6,046	-
Somerset	5,216	-
Staffordshire	12,351	-
Suffolk	11,227	-
Surrey	6,498	-
Sussex	35,670	-
Warwickshire	4,358	-
WERN	34,412	-
Yorkshire	27,120	-
	<u>655,789</u>	<u>-</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

16. Grants payable (continued)

	2024 £	2023 £
Village hall improvement grants		
Bradworthy Parish Memorial Hall	-	10,670
Brampton Abbots Village Hall	-	16,844
Fritenden Memorial Hall	-	31,699
Huish Champflower Village Hall	-	30,440
Oxhill Village Hall	-	36,670
South Kilworth Village Hall	-	19,976
Teign Valley Community Centre	-	40,700
Welton Parish Memorial Hall	-	16,743
Refunded to Defra	-	142,999
	<u>-</u>	<u>346,741</u>

17. Analysis of net assets between funds

	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	693	693
Mixed motive investments	-	3,000	-	3,000
Current assets	316,747	19,000	1,225,281	1,561,028
Current liabilities	<u>(188,569)</u>	<u>-</u>	<u>(762,941)</u>	<u>(951,510)</u>
Net assets at 31 March 2024	<u>128,178</u>	<u>22,000</u>	<u>463,033</u>	<u>613,211</u>
Prior period comparative				
	Restricted funds £	Designated funds £	General funds £	Total funds £
Tangible fixed assets	-	-	1,290	1,290
Investments	-	3,000	-	3,000
Current assets	16,355	14,000	1,187,639	1,217,994
Current liabilities	<u>-</u>	<u>-</u>	<u>(767,817)</u>	<u>(767,817)</u>
Net assets at 31 March 2023	<u>16,355</u>	<u>17,000</u>	<u>421,112</u>	<u>454,467</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

18. Movements in funds

	At 1 April 2023 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2024 £
Restricted funds					
Tudor Trust	(1,000)	5,000	(2,500)	-	1,500
Big Lottery Safeguarding	3,961	-	-	-	3,961
DEFRA rural communities	447	1,633,000	(1,633,651)	204	-
DEFRA PJVH fund	-	1,696,356	(1,689,536)	-	6,820
DEFRA RHE fund	-	767,428	(655,789)	-	111,639
Coyler Ferguson Kent ACRE	-	4,000	(3,000)	-	1,000
National Parks Residents Association	2,787	-	-	-	2,787
National Village Halls Forum	471	-	-	-	471
Rural Coalition	9,689	-	(9,689)	-	-
Total restricted funds	16,355	4,105,784	(3,994,165)	204	128,178
Unrestricted funds					
<i>Designated funds:</i>					
ACRE Network review	4,000	-	-	-	4,000
ACRE Network members	10,000	-	-	5,000	15,000
LLP Consultancy (Cirican)	3,000	-	-	-	3,000
<i>Total designated funds</i>	<i>17,000</i>	<i>-</i>	<i>-</i>	<i>5,000</i>	<i>22,000</i>
General funds	421,112	551,366	(504,241)	(5,204)	463,033
Total unrestricted funds	438,112	551,366	(504,241)	(204)	485,033
Total funds	454,467	4,657,150	(4,498,406)	-	613,211

Purposes of restricted funds

Tudor Trust ACRE received the initial 50% of the year long grant for the purpose of reviewing the purpose of the Village Hall services provided throughout the ACRE Network and identify areas for expansion.

Big Lottery Safeguarding The National Lottery Community Fund provided funds for a project that will promote good safeguarding practice to village and community halls throughout England. ACRE used the 38 ACRE Network members' contacts and reach into rural communities to signpost and share resources. Advice and examples of best practice have been shared helping hall committees to better understand their responsibilities, put in place proportionate policies and procedures, and have confidence to deal with safeguarding issues as they arise.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

18. Movements in funds (continued)

Purposes of restricted funds (continued)

DEFRA rural communities The investment delivers support to the end beneficiaries of the ACRE Network, ensuring that rural communities have the technical support and advice needed to survive and thrive. The grant is distributed through ACRE to its 38 members, full details are available on the ACRE website.

DEFRA PJVH fund DEFRA Platinum Jubilee Village Hall (PJVH) fund is a grant fund provided by DEFRA to support the modernisation and improvement of rural community buildings.

DEFRA RHE fund DEFRA Rural Housing Enabler (RHE) fund is a £2.5m programme funded by DEFRA creating a new network of Rural Housing Enablers (RHEs). RHEs are specialists who help rural communities consider the need for affordable housing locally.

Coyler Ferguson Kent ACRE Coyler Ferguson grant is a grant provided to support the establishment of Kent ACRE, specifically for legal fees to support the CIO.

National Parks Residents Association ACRE holds funds on behalf of the National Parks Residents Association for use only as designated by the Association.

National Village Halls Forum The National Village Halls Forum closed and a decision was taken to pay funds remaining in the bank account to ACRE for hosting and support work undertaken by the new Village and Community Halls Network.

Rural Coalition ACRE undertakes the secretariat for the Rural Coalition. The funds from the membership were distributed as agreed by members. In the 2023/24 accounts the Rural Coalition funds have been treated as conduit funding (note 19).

Purposes of designated funds

ACRE Network review The ACRE Board designated funds to support the research, review and modernisation of its services.

ACRE Network members The ACRE Board designated funds to support a strategic review of ACRE member services in order to identify the best and most sustainable way of safeguarding such services for end beneficiaries in the future. This has been increased with a transfer from general funds this year.

LLP Consultancy (Cirican) The ACRE Board designated funds to underpin 'Cirican' the ACRE Network Consultancy vehicle, established to capitalise on members' extensive experience and understanding of rural issues, and to generate an income stream to advance ACRE's charitable aim of supporting rural communities.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

18. Movements in funds (continued)

Prior period comparative

	At 1 April 2022 £	Income £	Expenditure £	Transfers between funds £	At 31 March 2023 £
Restricted funds					
Tudor Trust	5,000	-	(6,000)	-	(1,000)
LACE UP (Sport England)	-	-	-	-	-
Big Lottery Safeguarding	3,961	-	-	-	3,961
DEFRA rural communities	122	1,633,000	(1,632,675)	-	447
National Parks Residents Association	2,787	-	-	-	2,787
Village Hall Improvement Grants	348,212	43	(346,741)	(1,514)	-
Big Lottery Digital Infrastructure	475	8,333	(9,018)	210	-
National Village Halls Forum	471	-	-	-	471
Rural Coalition	9,675	3,700	(3,686)	-	9,689
Total restricted funds	370,703	1,645,076	(1,998,120)	(1,304)	16,355
Unrestricted funds					
<i>Designated funds:</i>					
ACRE Network review	4,000	-	-	-	4,000
ACRE Network members	15,000	-	(5,000)	-	10,000
LLP Consultancy (Cirican)	3,000	-	-	-	3,000
<i>Total designated funds</i>	<i>22,000</i>	<i>-</i>	<i>(5,000)</i>	<i>-</i>	<i>17,000</i>
General funds	453,450	343,194	(376,836)	1,304	421,112
Total unrestricted funds	475,450	343,194	(381,836)	1,304	438,112
Total funds	846,153	1,988,270	(2,379,956)	-	454,467

19. Conduit funding

	2024 £	2023 £
Funds held at 1 April	-	-
Amounts received	5,500	-
Adjustment to correct closing balance	240	-
Funds held at 31 March	5,740	-

ACRE receives and disburses funds on behalf of The Rural Coalition. This has previously been presented as a restricted fund. The balance held at the 31 March 2024 is included in other creditors.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2024

20. Operating lease commitments

The charity had operating leases at the year end with total future minimum lease payments as follows:

	Property		Equipment	
	2024	2023	2024	2023
	£	£	£	£
Amount falling due:				
Within 1 year	6,245	6,245	1,215	1,387
Within 1 - 5 years	-	-	1,519	1,271
	<u>6,245</u>	<u>6,245</u>	<u>2,734</u>	<u>2,658</u>

21. Related party transactions

During the current and prior year, ACRE distributed DEFRA grants to its member organisations. A full list of these is included in note 16.

During the year, Louise Beaton, a charity trustee, received £2,700 for consultancy services and related travel costs were reimbursed (2023: £1,140). Ivan Annibal, a charity trustee, is the managing director of Rose Regeneration, the company completing the quarterly surveys of the DEFRA network grant, the company received £17,000 (2023: £17,000).

Cirican LLP is a commercial research partnership of which ACRE is a member. ACRE invested £3,000 in the partnership in 2021. There were no balances outstanding at year end.

ACTION WITH COMMUNITIES IN RURAL ENGLAND (ACRE)

England & Wales - Charity number 1061568

Accounts

Company number: 3336101
Charity number: 1061568

Action with Communities in Rural England
Directors Report and Financial Statements
31 March 2023

Action with Communities in Rural England

Reference and administrative details

For the year ended 31 March 2023

Status	The organisation is a charitable company limited by guarantee, incorporated on 19 March 1997 and registered as a charity on 26 March 1997.	
Governing document	The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.	
Company number	3336101	
Charity number	1061568	
Registered office and operational address	2 The Quadrangle Banbury Road Woodstock Oxfordshire OX20 1LH	
Honorary officers	James Blake Janet Thornton MBE Dominic Driver	Chair Vice Chair Vice Chair
Executive Director	Richard Quallington	
Company Secretary	Richard Quallington	
Bankers	Lloyds plc 14 Castle Street Cirencester Gloucestershire GL 7 1QJ	
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ	
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5 th Floor, Mariner House 62 Prince Street Bristol BS1 4QD	

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2023

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

Introduction

The 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 and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Mission, objectives and activities

ACRE's objects are *to promote any charitable purpose to improve the conditions of life of people and communities in rural areas in England and Wales*. More specifically ACRE's mission is *to work with its 38 members and other key stakeholders to evidence and address need, to inform and to influence at a national level, speaking up as the voice of rural communities across England*. ACRE's beneficiaries are at the heart of all its work specifically; *all people living in rural areas of England, but especially those who are at risk of isolation and disadvantage and for whom rurality brings additional challenge and cost to their daily lives*.

ACRE reviews its strategic priorities, aims and objectives on a regular basis as part of the business planning cycle. Following a roll forward of the business plan during the Covid pandemic, a membership and wider stakeholder engagement exercise and an analysis of the wider operating environment, the board adopted a new three-year corporate plan for 2022-25 in readiness for the start of the financial year.

Vision

ACRE's vision is *'Rural Communities that are thriving, inclusive and sustainable and which have the services needed to ensure equity for all residents'*. And *'rural places that are fully engaged in the UK's future policies and ambitions'*.

This vision is underpinned by behaviours which support the following values:-

- Responsive – responding and listening to the needs of members and beneficiaries;
- Innovative – testing and developing new approaches;
- Collaborative – working with others to achieve results for our members and beneficiaries;
- Empowering – enabling members and rural communities to take action; and
- Solution focused – achieving results that make a difference.

Objectives

ACRE's core objective is to promote a healthy, informed, vibrant and sustainable rural community sector that is well equipped to address local need whilst being able also to influence and benefit from, policies and initiatives at national, sub-national and local level. Specifically as the 39th member of the ACRE Network, ACRE's main purpose is to:-

- Gather evidence and conduct research to improve the outcomes for rural communities;
- Articulate a voice for rural communities at the national level;
- Influence decisions that impact on rural communities; and
- Deliver programmes through our members which directly improve the lives of our end beneficiaries, and which increase the resilience of rural communities.

As the national body of The ACRE Network, ACRE also provides support for its member organisations to build their capacity in serving and responding to the needs of rural communities.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2023

Our funders and sponsors

The greater extent of our work this year was only made possible with the help and support of our funders and sponsors.

We are extremely grateful to the following for their financial support during the year:-

- ACRE members
- Ansvar
- Defra
- National Lottery Community Fund
- Norris and Fisher
- Tennyson Insurance (Zurich)
- Utility Aid

Activities

ACRE's day to day activities during the year were focused on seven specific workstreams as further elaborated in the operational plan, namely:-

1. Research and intelligence;
2. Policy, voice and national influencing;
3. Engaging and collaborating with key national partners;
4. National programme development, deliver and service improvement;
5. Developing and strengthening the ACRE network and supporting its members;
6. Governance, and leadership of ACRE and the national network; and
7. Management and corporate services.

How our activities deliver public benefit

ACRE's charitable activities are to alleviate rural disadvantage in rural communities throughout England through its activities and achievements, a sample of which are set out below.

Achievements and performance

During **2022-23**, ACRE continued to develop its strategy for advocacy on behalf of its end beneficiaries in three major directions:

- Securing ongoing recognition of the value delivered by the ACRE Investment agreement with the Department for Environment, Food and Rural Affairs (Defra) by ensuring effective delivery and by highlighting impact;
 - Positioning ACRE members as primary agents of change in rural communities in support of localism and devolution and other Government policies;
 - Capitalising on the ACRE Network's reach into rural communities and its expertise in ensuring rural communities and particularly those most disadvantaged by rurality benefit from national policy initiatives.
1. In addition to overseeing the delivery of the **ACRE Network Agreement with Defra** which enables ACRE's 38 members to focus practical support on rural communities across rural England, ACRE worked hard and achieved an in-principle three-year funding agreement with Defra for the lifetime of the current spending review period until 2025. This enables ACRE members to plan with greater certainty for the support of end beneficiaries and rural communities for an extended period.
 2. ACRE continued to improve the **monitoring and evidence** gathering that supports and underpins the ACRE Network Agreement with Defra. With enhanced reporting, the continuing development of a bank of case studies and examples of best practice to evidence impact, ACRE has been able to demonstrate more clearly to Defra the value of the Agreement. Poverty was included in the Rural Life Opportunities priority, and net zero activity included in

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2023

the Affordable Energy priority. Throughout the year, ACRE members have continued to support rural communities in their post-pandemic recovery and in addressing the challenges resulting from the cost-of-living crisis. ACRE has continued to develop closer links with the Defra team to ensure that grassroots intelligence from the ACRE Network is used to inform decision making within Defra and other government departments.

3. ACRE administers the **Rural Community Buildings Loan Fund** of £700,000 on behalf of Defra, which provides financial support to village hall management committees to improve facilities for their communities. During 2022-23, 31 loans were live during the year, 4 loans were paid out totalling £70,869 and 3 further loans have been agreed totalling £82,357. The total value of the loans outstanding at the end of the year was £299,295.
4. ACRE's **Village Hall Information and Advice Service** provided support for ACRE members during the year via the online platform, website and Zoom meetings. Support has been offered to new advisers and ACRE members have been encouraged to reinstate regional meetings via Zoom. The agreement with Bates Wells Solicitors has provided legal support for halls at reduced cost. A focus for the year was on building relationships with the corporate sponsors for the village hall service, Utility Aid, Zurich & Norris & Fisher. Livestream events, video footage and support for Village Halls Week has been a result of this engagement as well as dedicated work in supporting village hall committees through the energy crisis (see 16 below). Work, over the latter part of the year, revolved around establishing and promoting the Platinum Jubilee Village Halls Fund and the organisation of the face-to-face training event for hall advisers.
5. **The Village Hall Improvement Grant Fund** closed on 30th September 2022. There were 4 village hall projects where the work was incomplete. ACRE continues to monitor those projects, 2 are now complete and 2 are due to complete in the Summer of 2023.
6. **The Platinum Jubilee Village Hall Fund** was announced by Government in June 2022 and, following a competitive process, delivery was awarded to ACRE and the agreement was signed in November 2022. The Fund was launched on 20 December 2022. More than 1,400 halls submitted an online Stage 1 application over a 6-week period. Over 650 halls have been invited to submit a Stage 2 application with the support of ACRE members. The first Award Panel met on 30 and 31 March, considered 107 of those applications and offered 45 grants worth more than £741,000.
7. During the year the legacy of last year's **centenary activities** involved volunteers populating the 100 rural years website with the learning being drawn from records collated from over the past century, which can inform and give wider context to the current challenges and issues facing rural communities. ACRE is greatly indebted to the many Network alumni and other supporters who have spent much time drawing together historical records. The remaining outstanding project **Halls for All**, a publication charting 100 years of professional support for village halls, continues. A publisher has been identified with a publication date anticipated early in 2025.
8. In pursuance of its role of **speaking up for rural communities**, ACRE continued its engagement in a wide range of national advisory and steering groups including: The Rural Housing Network; Post Office Advisory Group; End Fuel Poverty Coalition; Rural England CIC and DLUHC (Department for Levelling Up, Housing and Communities) Communities Partnership Board.
9. In policy terms, the early part of 2022/23 was dominated by Government's **Levelling Up White Paper**, and then by the domestic implications of the war in Ukraine, the latter leading to major challenges over fuel and energy prices. ACRE's policy activity during the year is organised under nine headings, below, however it is likely that these will

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2023

change during the course of 2023/24 as we initiated a rural policy review to look at our policy priorities in the final months of the year:-

- a) **Civil Society and Village Halls.** We have worked closely with a number of national voluntary organisations, including those from the devolved administrations to analyse the difficulties that small organisations have had with banking since the pandemic, and to find ways of tackling these. We actively encouraged HM Treasury, UK Finance and the Charity Commission to take these problems seriously and thirteen banks collaborated, through UK Finance, to find solutions. At the end of 2022/23, we are reaching the second phase of a project that will make better tools available to support small charities. However, especially in rural areas, the problems are becoming greater due to both loss of branches and the loss of expertise in charity banking within the main 'High Street' banks. Over the year our relationship with NCVO and other national civil society organisations has strengthened, adding value to our own advocacy.

The devolution ambitions contained in the Levelling Up White Paper have been implemented through a continuation of the 'deal based' approach in which the most substantial local benefits have only been available where areas are willing to create Combined Authorities and to accede to having a directly elected Mayor. Although some gains have been made in a small number of areas e.g. North Yorkshire, the concept of onward, or double, devolution to local areas has not been easy to achieve.

- b) **Affordable housing and planning.** The earlier publication of the Planning White Paper in 2020 was largely superseded by the Levelling Up White Paper and then the Levelling Up and Planning Bill. Despite some delays due to political considerations during the year, the major pieces of legislation and regulation that could impact on the supply of affordable housing have made some progress.

We prepared a comprehensive briefing for members on the Levelling Up White Paper in the early part of the year and found many of the concerns we raised being echoed by other rural interest groups. We actively engaged with DEFRA over their preparation of the year's Rural Proofing Report that focussed very largely on this issue.

We prepared our own ACRE response to the National Planning Policy Framework consultation that included several questions about affordable and also community led housing. However, many of the questions contained an implicit assumption that sustainable development and small scale, and small developer, housing would mainly be the preserve of urban areas. We have sought to refute this assumption. After preparing our own response we worked with partners in the Rural Services Network, Rural Coalition, Rural Housing Forum and National Community Led Housing Network to co-ordinate rural responses in order to make the most impact.

- c) **Rural Health and Care.** We convened our first Rural Health and Care Forum in November 2022. This brought together many practitioners from within the ACRE Network and produced a number of recommendations both for the Network and wider delivery of care in rural areas.

As part of the preparation for the Forum we surveyed our members to assess their experience of 'rural proofing' within Integrated Care Systems (ICS). The experience was very mixed, especially since most of our members who had made positive steps with their ICS had done so as lead voluntary sector organisations, not from the perspective of rural communities. However, the information provided has been very useful both to

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2023

inform the piloting of the National Centre for Rural Health and Care's rural proofing toolkit with five ICBs. It has also helped with giving evidence to the House of Lords' Inquiry into ICS.

- d) **Youth and opportunity.** Disappointingly, it has been hard to allocate resources to making progress either with a specialist grouping on rural young people within the Network or in developing strong relationships with other young people's organisations. We regularly liaise with Children England and will now do so over the implications for rural areas of the Government's proposed extension of 'free' childcare down to nine months. Previous experience suggests that childcare operations that use multi-use buildings in rural areas will face very different challenges in 'scaling-up' in order to meet the requirements of the new offer. The same will be true for some of the Village Halls and their Trustees that manage the buildings themselves.
- e) **Economy and social enterprise.** Early in the year we continued to press for a community-led regeneration scheme that could be universal across England as a successor to the LEADER programme. We worked closely with DEFRA on the way in which this might be both allocated and administered, so as to learn the maximum from the operation of LEADER. Government, however, was very keen to ensure that the subsequently announced Rural England Prosperity Fund would integrate closely with the England part of the UK Shared Prosperity Fund. As a result, it is being distributed through the same local authorities – at widely varying geographies – that have been allocated UKSPF funding. The ACRE network has had a mixed experience of working with local government on this. The main reasons given for difficulties have been the exclusively capital nature of the fund, the absence of any resource for its administration and expectations amongst other stakeholders that it would mainly be available as grants to businesses. The objectives include supporting rural community infrastructure, but decisions remain entirely in the hands of local government.
- f) **Net zero and fuel poverty.** Throughout the energy price inflation crisis of 2022, we have taken every opportunity to raise with Government the impact on people living off the gas grid, and especially those heating their houses with electricity. We have engaged with Government departments on highlighting the need for off mains gas households to access cost of living grants. As the winter of 2022/23 came to a close we also called for Government to plan ahead to next winter so that the response for those not on the gas grid is much quicker and more equitable should the country find itself in the same position again.

We have continued to raise important issues about the resilience of the rural electricity distribution network both ourselves and with partners in the Rural Coalition. We prepared a comprehensive response to Government's consultation on the transition to Heat Pumps on an accelerated timetable in areas not on mains gas. We may, alongside others, have been partly responsible for this policy seeming to stall and become open for reconsideration.

We have sought to raise understanding in Government that fragile rural distribution networks will need considerable upgrading if both heat pumps and Electric Vehicle (EV) charging points are to become commonplace. A small win seems to have been achieved in that businesses installing EV charging points (including Village Halls) will from 1st April '23 no longer have to contribute to the upgrading of the distribution network where this is needed.

- g) **Connectivity and transport.** Disappointingly it has been hard to maintain an ongoing and constructive relationship with BDUK/DCMS over the operation of the voucher scheme alongside Project Gigabit. We had hoped to find the right 'windows' in the local procurement process that would make effective use of this scheme for the hardest to reach premises. Unfortunately, the highly market sensitive approach taken BDUK

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2023

has resulted in a great deal of nervousness about communicating directly with communities for fear of appearing to distort market provision of higher-quality broadband.

At the close of the financial year there was no sign of the anticipated Future of Transport – Rural Strategy. If the urban equivalent is a template for this, it will require rural areas to be very well served not only by broadband, but also by 4G and 5G connectivity if innovative forms of transport are also to thrive.

- h) **Diversity and equality.** We had hoped to incorporate the Women’s Health Strategy, and the delivery plan for it that had been anticipated, into our Rural Health and Care Forum. However, liaison over this with the Department of Health and Care has not proven easy.

Rural populations already struggle with access to some services due to their sparsity. Where services are provided for half of the population, the scale of the problem will be doubled. The same may be true for services intended just for other minority groups within the rural population. Addressing access to health services focused on women only would not only have given an opportunity to look at the dynamics of specific service delivery to half the population, but it might also have provided insights into how such services can be better delivered to smaller minority groups.

- i) **Rural and landscape strategy.** The Government has not yet responded to the Glover Review of designated landscapes although there have been attempts to force some amendments that accord with its recommendation into the Levelling Up and Planning Bill.

We have started to make contact with the Labour front bench over their future manifesto policies relating to rural communities and will continue to do so in 2023/24. We will also seek opportunities to have similar conversations with the Liberal Democrats and the Green Party.

We continue to work with other members of the Rural Coalition to influence the approach taken to rural proofing and to the annual Rural Proofing Report. We have been pressing for a more systematic approach that gives less scope for Government Departments to pick a small number of examples of good practice whilst avoiding addressing the general tendency to be ‘rurally blind’ in policy making.

10. During the year we highlighted operational concerns in relation to the **delivery of Affordable Rural Housing**, collecting data and evidence and sharing this with stakeholders and supported the national rural homelessness research project. ACRE continued to advance the cause of affordable rural housing by providing technical support to members on housing and planning issues. We supported our members and Rural Housing Enablers by providing them with information and training. Areas of activity included:-
- Building the evidence base for rural affordable housing through surveying Rural Affordable Housing delivery;
 - Regular liaison with Defra and Homes England on rural housing issues; and
 - Attendance at Rural Housing Network meetings.
11. ACRE endorsed two appointments to the **General Assembly of the European Rural Communities Alliance**.
12. Throughout the year **ACRE prioritised the needs of its 38 members** by providing, guidance and advice and one-to-one strategic support for individual members facing specific challenges. Towards the end of the year and following a review of its financial position ACRE’s member in Kent decided to close and ceased trading. ACRE undertook a needs and options appraisal on how best to ensure that ACRE Network services are available to the rural

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2023

communities of Kent in future. The results of this work indicated that there was both a need and a head of steam locally for the establishment of a new organisation to focus on supporting the rural communities locally with practical services whilst also acting as an advocate on their behalf with the key statutory and other stakeholders operating across the county. At the close of the year the consultant, working locally on behalf of ACRE, was in the process of developing the business plan and seeking resources to support the establishment of a new organisation.

With the continuation of online working during the year we further developed the use of the **digital platform Basecamp** to support collaboration across the Network and continued with the regular monthly meeting of ACRE Network Chief Executives established at the height of the pandemic to improve communication and to promote mutual support.

13. Throughout the year ACRE further improved its **online presence**. The ACRE website is serving us well. News stories, blogs and resources are being added to the site as and when they are produced and linked to appropriate pages. Since the website was launched in March 2022, there have been on average 5,000 users of the site, accounting for 8,000 visits each month with the most frequently viewed pages being information for village halls and the ACRE Member directory. In the past year, our mailing list has grown from 220 subscribers to over 1,000. Thirteen press releases, 6 blogs and 2 newsletters have been sent to these subscribers with an impressive average open rate of 50% for press releases and 43% for blogs. The most read circulation was our announcement of Village Halls Week in January. We have seen a growth in the number of followers on social media in the past year and our combined social media following is now almost 7,000 across all platforms with an estimated reach of 28,800.
14. A specific and focused media event was held in January; **the sixth annual Village Halls Week**. Our annual Village Halls Week campaign took place between 23 – 29 January on the theme of ‘warm, welcoming and inclusive spaces’. In response to network feedback, the team adopted a different approach to delivery this year, encouraging village hall groups to run local events in addition to the dissemination of online media. Campaign packs sponsored by Zurich (including guidance on getting involved, posters, badges and bunting) were distributed to halls that registered an interest in the campaign, of which 90 confirmed events using a Google map that we built. We also shared a new case study video featuring a new village hall in Northumberland. Throughout the week we saw much more activity on social media both from village halls and ACRE members compared to 2022, with the hashtag #VillageHallsWeek being used frequently to share stories about responses to the cost-of-living crisis and activities being provided by halls for different groups in the community. Audience engagement statistics suggest good reach. The campaign webpage had nearly 8k views, and our press release announcing the campaign had an open rate of 58% (according to Mailchimp the not-for-profit sector average is 25%) and we reached over 70,000 people with posts shared on social media. There was also some good local TV and radio coverage, notably on ITV Meridian, BBC Radio Solent and in Wiltshire, Northamptonshire, Devon, Lincolnshire, and Yorkshire. We also saw an uptick in our following, gaining over 300 new followers across our social media channels, mostly on Facebook.
15. Several **video case studies** were researched, filmed, edited and published in-house in 2022/23, including:
 - a. [Holy Island Warm Hub](#), Northumberland (750 views)
 - b. [Roxwell Affordable Housing Scheme](#), Essex (913 views)
 - c. [Carrshield Village Hall](#), Northumberland (1,455 views)

These case studies were prioritised as they addressed gaps in our website content for several of our policy priorities for rural communities. They help to demonstrate the solutions that ACRE members provide locally for addressing some of the challenges associated with life in the countryside. Feedback has been overwhelmingly positive, and

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2023

the films are helping ACRE develop its public profile and reputation, as well as being an excellent resource to signpost key stakeholders to.

In pursuit of a more blended approach to funding ACRE continued to prioritize working with a limited number of corporate partners during the year including Norris & Fisher, Ansvar, Utility Aid and Zurich.

16. One such project with a corporate partner during the year involved **research with village halls to understand and respond to the impact of the energy crisis**. At the beginning of 2022, we became increasingly aware that rising energy prices were becoming a serious issue for village halls. In response, we conducted a national survey asking management committees about their use of energy, the impact of rising prices and the support they need to become more energy efficient. Nearly 900 responses were received demonstrating the scale of the challenge. 57% agreed rising energy prices were creating financial difficulties, whilst 1 in 10 claimed to spend over half of their income on heating and electricity. This information was used in a policy briefing that ACRE utilised to highlight the need for financial support and investment in energy efficiency improvements. At the same time our corporate partner, Utility Aid, made contact with groups that said they would welcome support managing their energy usage and switched almost 150 halls to new contracts giving them greater certainty and security over their energy expenditure. ACRE was subsequently shortlisted for a Third Sector Business Charity Award for this work which has continued to provide exposure for this important issue whilst also improving the profile and reach of ACRE.
17. Delivery of the **National Lottery Community Fund resourced New Infrastructure Programme** concluded in July 2022 following a three-month extension. As part of this, we reviewed how digital solutions could be deployed for the improvement of the Village Halls Advice and Information Service offered to voluntary committees that manage rural community buildings across England. This involved extensive engagement with network leaders and village hall advisers capturing their experiences and views of the service during two workshops and a survey of village hall advisers. Feedback was discussed at length with specialist digital change consultants and used to make several recommendations for the future of the service including: developing standardised digital processes for receiving and triaging initial enquiries, implementing a CRM to better record and manage relationships with village halls, and improving the presentation of information and resources for halls by making content more accessible and engaging online.

As this overview highlights, 2022-23 has seen ACRE continue to adapt its delivery to increase remote and online digital working. The relocation of the office base reported last year continues to facilitate a more hybrid way of working whilst providing for onsite working at reduced premises costs. Working with the challenges of limited staff capacity, a growing portfolio of activities and greatly increased demand for ACRE's services continues to test and also confirm the resilience, creativity and flexibility of the highly motivated staff team and specialist associates. They have continued to embrace new ways of working and, despite the challenges, have achieved an extensive range of laudable outcomes.

In common with other organisations ACRE has continued to feel the impact of a tight financial climate coupled with increasing and well-documented inflationary and cost-of-living pressures. This continues to set a very challenging and uncertain operating environment in England for infrastructure charities such as ACRE.

Despite this uncertainty, engagement with Government has continued to grow and the future of the Defra agreement longer term is looking positive. Defra's decision to offer the ACRE Network an 'in principle' three-year funded relationship is extremely welcome as it enables both ACRE and its members to continue to plan both for the future of support to rural communities, and the internal transformational change needed to ensure that the services and support available are relevant and more sustainable in the longer term.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2023

Financial review

Basis of preparation

- The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities.
- Incoming resources are recognised once the charity has entitlement to the resources, it is certain the resources will be received, and the monetary value of the incoming resources can be measured with sufficient reliability.
- Resources expended – liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.
- Grants payable are payments made to third parties in furtherance of the charitable objectives of the charity.

The directors report a net reduction in total resources of £391,686 (31 March 2022 a net reduction of £829,454). The closing fund balances on 31 March 2023 were £454,467.

The statement of financial activities (SOFA) shows that the total incoming resources for the year were £1,988,270 compared with £2,084,193 for the previous year.

During the year ACRE received £1,645,076 restricted income and £343,194 unrestricted income. A list of the restricted funds is included in note 18a. All incoming resources for the year have been secured specifically to advance the charity's strategic objectives.

Reserves policy

The directors consider that the level of unrestricted reserves should be sufficient to invest in essential capacity during short-term funding shortfalls, allow time for reorganisation in the event of a longer-term downturn in income, protect ongoing work programmes and allow ACRE to meet its legal requirements. The target level for unrestricted reserves is the equivalent of three months of the charity's general expenditure budget plus an allocation to allow for longer-term liabilities and contingencies and an additional element to support ACRE's research and development objectives and transformational change. Directors confirm that ACRE is in compliance with the agreed reserves policy.

The directors can also designate other unrestricted funds to ensure that ACRE can continue to operate effectively, meeting its anticipated liabilities and the development needs of the wider ACRE Network as it continues to focus on enhancing outcomes for end beneficiaries.

At 31 March 2023, the total reserves were:	£454,467
Restricted funds:	£16,355
Designated funds:	£17,000
General funds:	£421,112

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2023

Principal funding sources

The majority of ACRE's funding for 2022-23 came from 'a grant in aid' agreement from Defra; over 95% of which was directly allocated to local organisations to deliver work at a county level. The main other source of income was derived from membership fees paid by the ACRE members. This funding was used to support ACRE's key themes of activity.

Plans for future periods

Key objectives for 2023-24

During the forthcoming year, ACRE will continue to assess the impact that government policy and the current cost of living crisis, might have on its end beneficiaries in rural communities and how its own role in relation to supporting the work of members might need to evolve and change as a result. ACRE will move to the next stage in a review of the delivery of its national village and community halls service and will bring forward plans for the future resourcing and development of that service. We will conduct a Networkwide survey to ascertain the challenges and opportunities facing members of the ACRE Network and will also aim to build and enhance the long-established rural housing enabling work undertaken by members and others to increase the supply of affordable homes in communities across rural England. We will undertake a comprehensive ACRE policy review in anticipation of further dialogue with national partners and political parties in advance of the general election, specifically with a view to influencing manifestos to consider and address the needs of rural communities and especially those most disadvantaged by rurality.

The corporate plan will continue to set the strategic framework for the organisation whilst the annually reviewed operational plan will drive forward its delivery.

We anticipate that with a new chair in place, additional personnel changes anticipated during the year, and the policy review completed that a further appraisal of ACRE's long-term strategy will follow during the latter part of the year. That said ACRE's role will continue to be focused on *'all people living in rural areas of England but especially those who are at risk of isolation and disadvantage and for whom rurality brings an additional challenge and cost to their daily lives'*. And we anticipate that ACRE's work will continue to concentrate on:-

- Gathering evidence and conducting research to improve outcomes for rural communities;
- Articulating a voice for rural communities at a national level;
- Influencing decisions that impact on rural communities; and
- Delivering programmes through our members which directly improve the lives of our beneficiaries, and increase the resilience of rural communities.

Internally, ACRE trustees will be conducting a review of governance using the charity governance code in preparation for a refresh of the ACRE board at the AGM in the autumn.

Funds held as custodians

Defra investment in the ACRE Network

A further year of investment to enable the ACRE Network to deliver support to rural communities within the key Defra priority themes was secured. The investment in support of rural communities through ACRE members amounted to £1,633,000 during the year. ACRE, as the national umbrella body of The ACRE Network, was the accountable body for these funds.

ANPAC

ACRE has held funds on behalf of the National Parks Residents Association (ANPAC) for use only as designated by them. The Association did not draw down from this fund during 2022-23.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2023

Rural Communities Buildings Loan Fund

ACRE administers the Rural Communities Buildings Loan Fund on behalf of Defra. This fund previously known as the Village Hall Loan Fund has been in existence since 1925.

Rural Coalition

ACRE undertakes the secretariat for the Rural Coalition. The funds from the Rural Coalition membership were distributed as agreed by members during 2022-23 and the remnants were carried forward to activity planned for 2023-24.

Village Hall Improvement Grant

ACRE administers the Village Hall Improvement Grant fund on behalf of Defra. This fund was fully utilized during 2022-23.

Structure, governance and management

Organisational structure

Action with Communities in Rural England (ACRE) is a company limited by guarantee (number 3336101) with a Board of Directors elected at general meetings by its 38 members, and in accordance with the Articles of Association adopted on 18 June 2014 and amended on 29 November 2016 and 27 November 2018.

Governance

The Board of Directors is responsible for the governance and management of ACRE. The ACRE Board consists of not less than six but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The chair is elected at the AGM by the members. All directors have an induction into the organisation.

In line with ACRE's governing documents, the board is refreshed on a regular and systematic basis with members serving a maximum of seven years without a break of at least one year. In November ACRE's longstanding Chair, David Emerson CBE, stood down from the board. Prior to his departure, the organisation undertook a comprehensive, open, and externally supported recruitment exercise to find his successor. James Blake, currently CEO of the Youth Hostel Association, emerged as a result of this process and was duly elected by members at the AGM in November.

During the year all directors gave of their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity and any instances where directors have received a benefit from the charity for specific services, as permitted under clauses 4 (2) and 4 (3), are set out in note 8 to the accounts.

Management

The staffing structure at ACRE has focused on retaining capacity to support the operational and leadership requirements of the organisation; a flatter more empowering management structure remains in place as is appropriate for a small staff team. The Executive Director retains responsibility for operational decisions and for delivering the organisation's strategic objectives. There are currently no plans to expand the team appreciably in the foreseeable future although there are issues of succession for some roles during the new financial year and in the medium term.

Risk management

The directors are committed to a regular review of the major strategic, business and operational risks which ACRE faces, with a view to ensuring that appropriate systems and procedures are in place to minimise these risks. In particular, the risk of the Government reducing or ceasing its funded relationship with the ACRE Network is considered carefully by the ACRE board on a regular basis during the year and mitigating actions including; identifying and exploring alternative

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2023

sources of funding and developing new partnership arrangements with key stakeholders; the establishment and development of Cirican (the ACRE Network's consultancy arm) have been investigated and continue to be pursued as part of the organisation's ongoing plans. This and other risks to the fulfilment of ACRE's strategic priorities are kept under constant review by the directors via the risk register which is reviewed periodically.

The financial challenges originally occasioned by the pandemic have substantially given way to the current cost of living difficulties, inflationary pressures, and a very tight financial climate. Trustees have kept, and continue to keep, these additional pressures under constant review, especially so in relation to managing the risk to ACRE of staff turnover resulting in loss of capacity and skills to support the organisation and its work. However, the current remuneration policy and ongoing grant funding from Defra and other funders, combined with the current healthy level of unrestricted reserves provides a reasonable level of confidence and reassurance that any challenges will have a manageable impact on the organisation's performance and longer-term financial position.

Register of interests

All Board members complete an annual declaration of interests in compliance with the Conflict-of-Interest Policy. This is updated as required during the year. Board members are required to declare any related interest in decisions at the start of all Board meetings, or thereafter if relevant topics arise.

Related parties and connected organisations

ACRE receives membership subscriptions from its 38 members. In addition, ACRE works with members on joint initiatives. During 2022-23 a total of £1,633,000 was committed to members through the Defra/ACRE Investment Programme.

Whilst some of the directors elected are also directors or chief executives of ACRE Network members, within an ACRE context they have no influence over business transactions between members and ACRE.

Remuneration Policy

ACRE recognises that the delivery of its mission and strategic priorities is largely dependent upon the skills, knowledge and experience of its staff. It is therefore committed to ensuring that the staff are provided with appropriate remuneration to encourage and enhance performance and, in a fair and responsible manner, are rewarded for their contributions to the success of the charity. The salaries of ACRE staff are reviewed on an annual basis in light of inflationary pressures. Directors consider this information alongside the affordability for ACRE to inform and adjust salaries and remuneration accordingly.

Where appropriate, ACRE employs freelance contractors to undertake specific activities for the organisation. These include research, marketing, finance, governance support, relationship management and leadership. Directors ensure that whilst the associated remuneration is sufficient to attract individuals with the skills, experience and competencies required, rewards are also benchmarked against sector averages for similar activity and levels of responsibility.

Grant-making policy

ACRE administers grants on behalf of other charitable trusts and government organisations that further the charity's objectives. The grant-making processes are agreed with the funders from the outset. Grants are paid on respective merits and follow transparent and rational processes.

ACRE's unrestricted funds are not used for grant-making purposes, unless by resolution by the directors. Arrangements are in place to segregate grant-making decisions ensuring conflicts of interest are avoided in the governance of ACRE.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2023

Fund raising policy

ACRE does not engage in any direct fundraising from members of the public and does not employ fundraisers. However, the directors are aware of the fundraising requirements and the code of fundraising practice and ensure that the charity is compliant with the code in all its fund-raising activities.

ACRE members at 31 March 2023

Action with Communities in Cumbria	Cornwall Rural Community Charity
Action Hampshire	Devon Communities Together
Action in Rural Sussex	Dorset Community Action
Bedfordshire Rural Communities Charity	Durham Community Action
Cambridgeshire ACRE	GRCC Community Action in Gloucestershire
Cheshire Community Action	Humber & Wolds Rural Action
Community Action Isle of Wight	Northamptonshire ACRE
Community Action Norfolk	Rural Community Action Nottinghamshire
Community Action Northumberland	Rural Action Derbyshire
Community Action Suffolk	Rural Community Council of Essex
Community Council for Somerset	Rural Community Council (Leicestershire & Rutland)
Community Development Action Hertfordshire	Community Resource (Shropshire)
Community First in Herefordshire and Worcestershire	Support Staffordshire
Community First Oxfordshire	Surrey Community Action
Community First, Wiltshire	Tees Valley Rural Action
Community First Yorkshire	Warwickshire Rural Community Council
Community Futures, Lancashire	West of England Rural Network
Community Impact Bucks	YMCA Lincolnshire (incorporating Community Lincs)
Connecting Communities in Berkshire	

Statement of Directors' responsibilities

The directors (who are also directors of Action with Communities in Rural England for the purposes of company law) are responsible for preparing the directors' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors 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 these financial statements, the directors 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2023

The directors are responsible for keeping proper accounting records which 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.

In so far as the directors are aware:

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

The directors 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 Directors

Directors, who are also directors under company law, who served during the year and up to the date of this report were as follows:

		Number of Board meetings attended during the year
Ivan Annibal	Elected November 2017	3/5
Louise Beaton OBE	Elected November 2017	5/5
James Blake	Chair - Elected November 2022	1/1
Charles Coates	Elected November 2017	4/5
Elaine Cook	Elected November 2018	3/5
Nigel Curry	Elected November 2018	3/5
Sue Dovey	Elected November 2018	4/5
Dominic Driver	Vice Chair - Elected November 2016	3/5
David Emerson CBE	Chair – Retired November 2022	4/4
Gavin Parker	Co-opted February 2023	1/1
Doff Pollard	Elected November 2015	4/5
Mark Shucksmith OBE	Retired November 2022	3/4
Janet Thornton MBE	Vice Chair – Elected November 2016	4/5
Jim Webster	Appointed November 2018	5/5

Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2023 was 37 (2022 - 38). The Directors have no beneficial interest in the charitable company.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2023

Auditors

Following a market testing exercise in 2022 Godfrey Wilson Ltd was re-appointed as the charitable company's auditors.

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

Approved by the Directors on 22 June 2023 and signed on their behalf by



James Blake – Chair

Independent auditor's report

To the members of

Action with Communities in Rural England

Opinion

We have audited the financial statements of Action with Communities in Rural England (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Independent auditor's report

To the members of

Action with Communities in Rural England

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

Independent auditor's report

To the members of

Action with Communities in Rural England

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation 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 risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

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. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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

Independent auditor's report

To the members of

Action with Communities in Rural England

Alison Godfrey

Date: 22 June 2023

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:
GODFREY WILSON LIMITED
Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Action with Communities in Rural England

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

For the year ended 31 March 2023

		Unrestricted	Restricted	2023 Total	Unrestricted	Restricted	2022 Total
	Note	£	£	£	£	£	£
Income from:							
Donations and legacies	2	320	-	320	3,815	-	3,815
Charitable activities							
Charitable activities	3	341,390	1,645,076	1,986,466	332,119	1,746,915	2,079,034
Services and sales	3	333	-	333	1,284	-	1,284
Investments	4	1,151	-	1,151	60	-	60
Total income		343,194	1,645,076	1,988,270	337,278	1,746,915	2,084,193
Expenditure on:							
Raising funds	5	7,722	-	7,722	3,701	-	3,701
Charitable activities							
Charitable activities	5	372,443	1,998,120	2,370,563	290,138	2,618,161	2,908,299
Services and sales	5	1,671	-	1,671	1,647	-	1,647
Total expenditure		381,836	1,998,120	2,379,956	295,486	2,618,161	2,913,647
Net income / (expenditure) for the year	7	(38,642)	(353,044)	(391,686)	41,792	(871,246)	(829,454)
Transfers between funds		1,304	(1,304)	-	-	-	-
Net income / (expenditure) before other recognised gains and losses		(37,338)	(354,348)	(391,686)	41,792	(871,246)	(829,454)
Net movement in funds		(37,338)	(354,348)	(391,686)	41,792	(871,246)	(829,454)
Reconciliation of funds:							
Total funds brought forward		475,450	370,703	846,153	433,658	1,241,949	1,675,607
Total funds carried forward		438,112	16,355	454,467	475,450	370,703	846,153

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18 to the financial statements.

Action with Communities in Rural England

Balance sheet as at 31 March 2023

Company no. 3336101

	Note	£	2023 £	£	2022 £
Fixed assets:					
Tangible assets	12		1,290		367
Mixed motive investments	13		3,000		3,000
			<u>4,290</u>		<u>3,367</u>
Current assets:					
Debtors	14	302,485		313,431	
Cash at bank and in hand		514,804		515,220	
Account for village hall improvement grant scheme		-		391,193	
Account for rural community buildings loan fund		400,705		396,950	
		<u>1,217,994</u>		<u>1,616,794</u>	
Liabilities:					
Creditors: amounts falling due within one year	15	(767,817)		(774,008)	
Net current assets			<u>450,177</u>		<u>842,786</u>
Total net assets	17		<u>454,467</u>		<u>846,153</u>
The funds of the charity:					
Restricted income funds	18		16,355		370,703
Unrestricted income funds:					
Designated funds		17,000		22,000	
General funds		421,112		453,450	
		<u>438,112</u>		<u>475,450</u>	
Total unrestricted funds			<u>438,112</u>		<u>475,450</u>
Total charity funds			<u>454,467</u>		<u>846,153</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 22 June 2023 and signed on their behalf by



James Blake
Chair

Action with Communities in Rural England

Statement of cash flows

For the year ended 31 March 2023

	Note	2023	2022
		£	£
Cash flows from operating activities	20		
Net cash provided by / (used in) operating activities		(391,374)	(887,929)
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,151	60
Purchase of tangible fixed assets		(1,386)	-
Net cash provided by / (used in) investing activities		(235)	60
Change in cash and cash equivalents in the year		(391,609)	(887,869)
Cash and cash equivalents at the beginning of the year		906,413	1,794,282
Cash and cash equivalents at the end of the year	21	514,804	906,413

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies

a) Statutory information

Action with Communities in Rural England is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is as stated in the Trustees' Annual Report.

b) Basis of preparation

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

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

c) Public benefit entity

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

d) Going concern

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

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

e) Income

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

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

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

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies (continued)

g) Interest receivable

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

h) Fund accounting

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

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

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

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

j) Allocation of support costs

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

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

	2023	2022
● Cost of raising funds	2%	1%
● Chairtable activities	83%	96%
● Services and sales	15%	3%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1 Accounting policies (continued)

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Fixtures and fittings 3 years straight line basis

m) Mixed motive investments

Mixed motive investments represent the charitable company's partner interest in Cirican LLP, which the trustees consider to have the dual objective of both financial return and furtherance of charitable objects. The investment is carried at fair value through the income and expenditure account. The LLP is an unquoted investment vehicle and a degree of judgement is required in assessing the fair value. At initial recognition the fair value is deemed to be the transaction amount. A review for impairment will be carried out annually.

n) Debtors

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

o) Cash at bank and in hand

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

p) 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.

q) 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

s) Grants payable

Grants which have been authorised and paid are included as expenditure in the Statement of Financial Activities. Grants which have been authorised but not yet paid are accrued in the balance sheet and are included within creditors.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies (continued)

t) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Depreciation

As described in note 1(l) to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

Mixed motive investments

As described in note 1(m) to the financial statements, mixed motive investments are carried at their fair value. However, the current investment is an unquoted investment vehicle and a degree of judgement is required in assessing its fair value

2 Income from donations and legacies

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Gifts	320	–	320	3,815
	<u>320</u>	<u>–</u>	<u>320</u>	<u>3,815</u>

All income received from gifts in the prior period was unrestricted.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

3a Income from charitable activities

	Unrestricted	Restricted	2023 Total
	£	£	£
Charitable Activities			
Defra support to rural communities	79,000	1,633,000	1,712,000
Rural communities buildings loan fund	20,000	-	20,000
Big Lottery Digital Infrastructure	-	8,333	8,333
Utility Aid	10,000	-	10,000
Norris & Fisher	5,000	-	5,000
Ansvar	5,000	-	5,000
Conferences	10,771	-	10,771
Tennyson Insurance (Zurich)	7,500	-	7,500
Platinum Jubilee Village Hall Fund (DEFRA)	28,274	-	28,274
Interest from VHIG account	-	43	43
DEFRA Health & Social Care	2,500	-	2,500
Rural Coalition	-	3,700	3,700
Membership	173,345	-	173,345
	<hr/>	<hr/>	<hr/>
Sub-total for Charitable Activities	341,390	1,645,076	1,986,466
Sales; publications	284	-	284
Staff fees	49	-	49
	<hr/>	<hr/>	<hr/>
Sub-total for other charitable activity	333	-	333
	<hr/>	<hr/>	<hr/>
Total income from charitable activities	341,723	1,645,076	1,986,799
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

3b Income from charitable activities (prior year)

	Unrestricted £	Restricted £	2022 Total £
Charitable Activities			
Defra support to rural communities	79,000	1,633,000	1,712,000
Digital Discovery (CAST)	-	5,000	5,000
Rural communities buildings loan fund	20,000	-	20,000
Tudor Trust	-	5,000	5,000
Big Lottery Digital Infrastructure	-	50,000	50,000
Utility Aid	2,500	-	2,500
Norris & Fisher	6,750	-	6,750
Ansvar	6,750	-	6,750
Conferences	3,425	-	3,425
Hallmaster	-	270	270
Tennyson Insurance (Zurich)	6,000	-	6,000
Big Lottery Safeguarding grant	-	49,968	49,968
Village Hall Improvement Grant (DEFRA)	36,694	-	36,694
Interest from VHIG account	-	77	77
Rural Coalition	-	3,600	3,600
Membership	171,000	-	171,000
	<hr/>	<hr/>	<hr/>
Sub-total for charitable activities	332,119	1,746,915	2,079,034
Sales; publications	1,261	-	1,261
Staff fees	23	-	23
	<hr/>	<hr/>	<hr/>
Sub-total for other charitable activity	1,284	-	1,284
	<hr/>	<hr/>	<hr/>
Total income from charitable activities	<u>333,403</u>	<u>1,746,915</u>	<u>2,080,318</u>

4 Income from investments

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
Interest received	1,151	-	1,151	60
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>1,151</u>	<u>-</u>	<u>1,151</u>	<u>60</u>

All income received from investments in the prior period was unrestricted.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

5 Analysis of expenditure (current year)

	Cost of raising funds £	Charitable activities			Support costs £	2023 Total £
		Charitable activities £	Services and sales £	Governance costs £		
Staff costs (Note 8)	3,882	142,668	962	26,410	60,392	234,314
Direct costs	-	95,236	96	18,886	26,144	140,362
DEFRA grant to ACRE network	-	1,632,675	-	-	-	1,632,675
Village hall improvement grants	-	346,741	-	-	-	346,741
Rural coalition expenditure	-	3,686	-	-	-	3,686
Overheads	428	15,971	4	1,232	4,543	22,178
	4,310	2,236,977	1,062	46,528	91,079	2,379,956
Support costs	2,031	74,812	410	13,826	(91,079)	-
Governance costs	1,381	58,774	199	(60,354)	-	-
Total expenditure 2023	7,722	2,370,563	1,671	-	-	2,379,956

Of the total expenditure, £381,836 was unrestricted (2022: £295,486) and £1,998,120 was restricted (2022: £2,618,161).

5 Analysis of expenditure (prior year)

	Cost of raising funds £	Charitable activities			Support costs £	2022 Total £
		Charitable activities £	Services and sales £	Governance costs £		
Staff costs (Note 8)	1,193	137,957	962	24,200	50,055	214,367
Direct costs	-	129,957	96	24,001	15,054	169,108
DEFRA grant to ACRE network	-	1,633,000	-	-	-	1,633,000
Hallmaster commissions	-	270	-	-	-	270
Village hall improvement grants	-	868,357	-	-	-	868,357
Rural coalition expenditure	-	50	-	-	-	50
Overheads	213	23,644	4	1,337	3,296	28,494
	1,406	2,793,235	1,062	49,538	68,405	2,913,647
Support costs	746	65,286	308	2,066	(68,405)	-
Governance costs	1,549	49,779	277	(51,605)	-	-
Total expenditure 2022	3,701	2,908,299	1,647	-	-	2,913,647

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

6 Grant making to institutions

	Grants to institutions £	2023 £	2022 £
Cost			
Allocation of DEFRA grant	1,632,675	1,632,675	1,633,000
Village hall improvement grants	346,741	346,741	868,357
At the end of the year	<u>1,979,416</u>	<u>1,979,416</u>	<u>2,501,357</u>

The grant from DEFRA is distributed through ACRE to its 38 members. Please see note 10 for a full breakdown of grants paid.

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2023 £	2022 £
Depreciation	463	1,031
Operating lease rentals:		
Property	12,262	12,262
Other	1,677	1,677
Auditors' remuneration (excluding VAT):		
Audit	<u>4,950</u>	<u>4,700</u>

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

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	112,408	107,971
Social security costs	12,360	11,107
Employer's contribution to defined contribution pension schemes	8,318	8,083
Other staff costs	<u>101,228</u>	<u>87,206</u>
	<u>234,314</u>	<u>214,367</u>

No employee earned more than £60,000 during the year (2022: nil).

There were no employee benefits including pension contributions paid to key management and finance personnel during the year as the individuals concerned were self employed. The key management personnel costs totalled £85,251 (2022: £77,756)

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2022: £nil). Loiuise Beaton, a charity trustee, received £1,140 for consultancy services and related travel costs were reimbursed (2022: £5,570). Ivan Annibal, a charity trustee, is the managing director of Rose Regeneration, the company completing the quarterly surveys of the DEFRA network grant, the company received £14,400

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £5,133 (2022: £729) incurred by 12 (2022: 12) members relating to attendance at meetings of the trustees.

9 Staff numbers

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

	2023	2022
	No.	No.
Raising funds	0.1	0.1
Charitable activities	2.8	2.8
Governance	0.1	0.1
	3.0	3.0

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

10 Related party transactions

During the year, there were related party transactions in the form of DEFRA grants made to members.

Details of these grants are as follows:

	2023 £	2022 £
Action Hampshire	44,675	44,675
Action in rural Sussex	47,395	47,395
Action with Communities in Cumbria	49,265	49,265
Action with Communities in Rural Kent	37,148	49,530
Bedfordshire Rural Communities Charity	35,840	35,840
Cambridgeshire ACRE	44,180	44,180
Cheshire Community Action	39,500	39,500
Connecting Communities in Berkshire	34,840	34,840
Community Action Isle of Wight	33,840	33,840
Community Action Norfolk	50,995	50,995
Community Action Northumberland	42,405	42,405
Community Action Suffolk	45,310	45,310
Community Council for Somerset	44,060	44,060
Community Development Action Hertfordshire	38,065	38,065
Community First in Herefordshire and Worcestershire	43,930	43,930
Community First Oxfordshire	39,640	39,640
Community First, Wiltshire	41,095	41,095
Community First Yorkshire	69,720	69,720
Community Futures, Lancashire	44,240	44,240
Community Impact Bucks	39,000	39,000
Lincolnshire YMCA Ltd (Community Lincs)	49,030	49,030
Cornwall Rural Community Charity	45,670	45,670
Devon Communities Together	53,145	53,145
Dorset Community Action	41,255	41,255
Durham Community Action	42,585	42,585
GRCC Community Action in Gloucestershire	39,220	39,220
Humber & Wolds Rural Action	41,965	41,965
Northamptonshire ACRE	40,280	40,280
Rural Action Derbyshire	44,200	44,200
Rural Community Action Nottinghamshire	40,580	40,580
Rural Community Council (Leicestershire & Rutland)	41,200	41,200
Rural Community Council of Essex	46,875	46,875
Community Resource (Shropshire)	40,135	40,135
Support Staffordshire	42,405	42,405
Surrey Community Action	38,735	38,735
Tees Valley Rural Action	34,235	34,235
WRCC (Warwickshire Rural Community Council)	37,635	37,635
West of England Rural Network	36,325	36,325
Resource for the continuation of support for Kent rural communities	12,057	-
	1,632,675	1,633,000

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

10 Related party transactions (continued)

Big Lottery Safeguarding

	2023	2022
	£	£
Action Hampshire	–	1,000
Action in rural Sussex	–	1,000
Action with Communities in Cumbria	–	1,000
Action with Communities in Rural Kent	–	1,000
Bedfordshire Rural Communities Charity	–	1,000
Cambridgeshire ACRE	–	1,000
Cheshire Community Action	–	1,000
Connecting Communities in Berkshire	–	1,000
Community Action Isle of Wight	–	1,000
Community Action Norfolk	–	1,000
Community Action Northumberland	–	1,000
Community Action Suffolk	–	1,000
Community Council for Somerset	–	1,000
Community Development Action Hertfordshire	–	1,000
Community First in Herefordshire and Worcestershire	–	1,000
Community First Oxfordshire	–	1,000
Community First, Wiltshire	–	1,000
Community First Yorkshire	–	1,000
Community Futures, Lancashire	–	1,000
Community Impact Bucks	–	1,000
Lincolnshire YMCA Ltd (Community Lincs)	–	1,000
Cornwall Rural Community Charity	–	1,000
Devon Communities Together	–	1,000
Dorset Community Action	–	1,000
Durham Community Action	–	1,000
GRCC Community Action in Gloucestershire	–	1,000
Humber & Wolds Rural Action	–	1,000
Northamptonshire ACRE	–	1,000
Rural Action Derbyshire	–	1,000
Rural Community Action Nottinghamshire	–	1,000
Rural Community Council (Leicestershire & Rutland)	–	1,000
Rural Community Council of Essex	–	1,000
Community Resources (Shropshire)	–	1,000
Support Staffordshire	–	1,000
Surrey Community Action	–	1,000
Tees Valley Rural Action	–	1,000
WRCC (Warwickshire Rural Community Council)	–	1,000
West of England Rural Network	–	1,000
	<hr/>	<hr/>
	–	38,000
	<hr/> <hr/>	<hr/> <hr/>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

10 Related party transactions (continued)

Village Hall Improvement grants paid to external organisations	2023 £	2022 £
Abbotskerswell Village Hall Trust	–	20,250
Bainton Charity	–	17,546
Blymhill Village Hall	–	13,195
Condover Village Hall	–	14,373
Eardisland Village Hall	–	21,794
East Cottingwith Village Hall	–	12,423
Eyke Village Hall	–	14,400
Glanton War Memorial Hall	–	13,200
Godmanchester Baptist Church	–	36,000
Hampton Lucy Village Hall	–	14,321
Highnam Community Centre	–	24,069
Hinton Martell Village Hall	–	12,906
Holyport Community Trust	–	10,000
Itchenor Memorial Hall	–	11,000
John Cements Sports & Community Trust	–	48,715
Lanivet Parish Sports & Recreational Trust	–	10,000
Lazonby Village Hall	–	14,098
Llanwarne & District Village Hall	–	13,166
Long Ditton Village Hall	–	13,945
Longcot Village Trust	–	41,298
New Hutton Institute	–	14,352
Newbald Village Hall	–	10,000
Ninfield Memorial Hall	–	48,029
Otterhampton Village Hall	–	40,000
Over & Nether Compton Memorial Hall	–	10,000
Preston St Mary Village Hall	–	28,000
Sandleheath Village Hall	–	15,096
Sherfield-on-Loddon Village Hall	–	37,400
Shipton Reading Room	–	64,922
Snitterfield Village Hall	–	23,520
South Luffenham Village Hall	–	13,328
St Wilfrid's Church Hall	–	18,402
Veryan Parish Hall	–	10,227
Victory Room, Bucklebury	–	35,442
Warcop New Village Hall	–	10,985
Westoning Village Hall	–	23,105
Wisborough Green Village Hall	–	75,000
Wivelsfield Village Hall	–	13,850
Bradworthy Parish Memorial Hall	10,670	–
Brampton Abbots Village Hall	16,844	–
Fritenden Memorial Hall	31,699	–
Huish Champflower Village Hall	30,440	–
Oxhill Village Hall	36,670	–
South Kilworth Village Hall	19,976	–
Teign Valley Community Centre	40,700	–
Welton Parish Memorial Hall	16,743	–
Refunded to Defra	142,999	–
	346,741	868,357

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

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

11 Taxation

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

12 Tangible fixed assets

	Computer equipment £	Total £
Cost or valuation		
At the start of the year	6,136	6,136
Additions in year	1,386	1,386
Disposals in year	(1,302)	(1,302)
At the end of the year	<u>6,220</u>	<u>6,220</u>
Depreciation		
At the start of the year	5,769	5,769
Charge for the year	463	463
Eliminated on disposal	(1,302)	(1,302)
At the end of the year	<u>4,930</u>	<u>4,930</u>
Net book value		
At the end of the year	<u>1,290</u>	<u>1,290</u>
At the start of the year	<u>367</u>	<u>367</u>

All of the above assets are used for charitable purposes.

13. Mixed motive investments

	2023 £	2022 £
Investment in Cirican LLP	<u>3,000</u>	<u>3,000</u>

During 2020, ACRE made an investment of £3,000 into Cirican LLP. The objective of Cirican is to enable ACRE and those members who are involved in Cirican to tender for larger national research contracts that play to the members' skills and experience, for both financial return and furtherance of charitable purposes.

14 Debtors

	2023 £	2022 £
Loans to rural community buildings under loan scheme (Note 15a)	299,295	303,050
Other debtors	1,430	6,140
Prepayments	1,760	4,241
	<u>302,485</u>	<u>313,431</u>
Amounts due after more than one year included in:		
Loans to rural community buildings under loan scheme	<u>231,638</u>	<u>232,638</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

15 Creditors: amounts falling due within one year

	2023 £	2022 £
Rural community buildings loan fund (Note 15a)	700,000	700,000
Trade creditors	34,354	7,091
Taxation and social security	5,201	2,568
Other creditors	13,112	18,868
Village Hall Improvement Grant drawdown confirmed	-	42,981
Deferred income (Note 16)	15,150	2,500
	<u>767,817</u>	<u>774,008</u>

15a Rural community buildings loan fund

Rural community building loan fund administered by ACRE on behalf of DEFRA:

	2023 £	2022 £
Funds advanced by DEFRA at 1 April 2022	<u>700,000</u>	<u>700,000</u>
Loans to rural community buildings:		
Outstanding at 1 April 2022	303,050	233,928
Made during year	70,869	139,920
Repayments during year	<u>(74,624)</u>	<u>(70,798)</u>
Outstanding loans at March 2023 (note 14)	<u>299,295</u>	<u>303,050</u>
Bank deposit on hand at 31 March 2023	<u>400,705</u>	<u>396,950</u>

16 Deferred income

Deferred income comprises:

	2023 £	2022 £
Balance at the beginning of the year	2,500	93,194
Amount released to income in the year	(2,500)	(93,194)
Amount deferred in the year	15,150	2,500
Balance at the end of the year	<u>15,150</u>	<u>2,500</u>
Income deferred to 2023-24		
Village Hall Advisors training event April 23	10,150	-
Corporate Sponsorship to June 2023	<u>5,000</u>	<u>2,500</u>
	<u>15,150</u>	<u>2,500</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

17a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	1,290	–	–	1,290
Mixed motive investments	–	3,000	–	3,000
Net current assets	419,822	14,000	16,355	450,177
Net assets at 31 March 2023	421,112	17,000	16,355	454,467

17b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	367	–	–	367
Mixed motive investments	–	3,000	–	3,000
Net current assets	453,083	19,000	370,703	842,786
Net assets at 31 March 2022	453,450	22,000	370,703	846,153

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

18a Movements in funds (current year)

	At 1 April 2022 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2023 £
Restricted funds:					
Tudor Trust	5,000	-	(6,000)	-	(1,000)
Big Lottery Safeguarding grant	3,961	-	-	-	3,961
DEFRA rural communities	122	1,633,000	(1,632,675)	-	447
National Parks Residents Association	2,787	-	-	-	2,787
Village Hall Improvement Grants	348,212	43	(346,741)	(1,514)	-
Big Lottery Digital Infrastructure	475	8,333	(9,018)	210	-
National Village Halls transfer	471	-	-	-	471
Rural Coalition	9,675	3,700	(3,686)	-	9,689
Total restricted funds	370,703	1,645,076	(1,998,120)	(1,304)	16,355
Unrestricted funds:					
Designated funds:					
ACRE Network Service Review Delivery	4,000	-	-	-	4,000
Supporting ACRE Network members	15,000	-	(5,000)	-	10,000
LLP Consultancy (Cirican)	3,000	-	-	-	3,000
Total designated funds	22,000	-	(5,000)	-	17,000
General funds	453,450	343,194	(376,836)	1,304	421,112
Total unrestricted funds	475,450	343,194	(381,836)	1,304	438,112
Total funds	846,153	1,988,270	(2,379,956)	-	454,467

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

18b Movements in funds (prior year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
Tudor Trust	-	5,000	-	-	5,000
LACE UP (Sport England)	7,586	-	(7,586)	-	-
Big Lottery Safeguarding grant	(34)	49,968	(45,973)	-	3,961
DEFRA rural communities	122	1,633,000	(1,633,000)	-	122
DEFRA Village Hall survey post CV-19	8,400	-	(8,400)	-	-
Hallmaster	-	270	(270)	-	-
National Parks Residents Association	2,787	-	-	-	2,787
Village Hall Improvement Grants	1,216,492	77	(868,357)	-	348,212
Big Lottery Digital Infrastructure	-	50,000	(49,525)	-	475
National Village Halls transfer	471	-	-	-	471
Digital Discovery (CAST)	-	5,000	(5,000)	-	-
Rural Coalition	6,125	3,600	(50)	-	9,675
Total restricted funds	1,241,949	1,746,915	(2,618,161)	-	370,703
Unrestricted funds:					
Designated funds:					
ACRE Network Service Review Delivery	4,000	-	-	-	4,000
Supporting ACRE Network members	20,000	-	(5,000)	-	15,000
LLP Consultancy (Cirican)	33,000	-	-	(30,000)	3,000
Total designated funds	57,000	-	(5,000)	(30,000)	22,000
General funds	376,658	337,278	(290,486)	30,000	453,450
Total unrestricted funds	433,658	337,278	(295,486)	-	475,450
Total funds	1,675,607	2,084,193	(2,913,647)	-	846,153

Movements in funds (narrative)

Purposes of restricted funds

Tudor Trust

ACRE received the initial 50% of the year long grant for the purpose of reviewing the purpose of the Village Hall services provided throughout the ACRE Network and identify areas for expansion.

DEFRA rural communities

The investment delivers support to the end beneficiaries of the ACRE Network, ensuring that rural communities have the technical support and advice needed to survive and thrive. The grant is distributed through ACRE to its 38 members, full details are available on the ACRE website.

National Parks Residents Association (ANPAC)

ACRE holds funds on behalf of the National Parks Residents Association for use only as designated by the Association.

National Village Halls Forum

The National Village Halls Forum closed and a decision was taken to pay funds remaining in the bank account to ACRE for hosting and support work undertaken by the new Village and Community Halls Network.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

Purposes of restricted funds (continued)

Rural Coalition

ACRE undertakes the secretariat for the Rural Coalition. The funds from the membership were distributed as agreed by members during 2022–23 and the remainder carried forward for activity planned in 2023–24.

Big Lottery Safeguarding grant

The National Lottery Community Fund provided funds for a project that will promote good safeguarding practice to village and community halls throughout England. ACRE used the 38 ACRE Network members' contacts and reach into rural communities to signpost and share resources. Advice and examples of best practice have been shared helping hall committees to better understand their responsibilities, put in place proportionate policies and procedures, and have confidence to deal with safeguarding issues as they arise.

Village Hall Improvement Grants

The Village Hall Improvement Grant Fund was extended until June 2022 to allow hall build projects time to complete having been delayed due to COVID-19. £2,875,256 has been awarded to 123 village halls. The programme was closed by September 2022.

Big Lottery Digital Infrastructure

ACRE received a grant from the National Lottery Fund to support ACRE Network members with digital development. Using feedback from colleagues ACRE has delivered two projects; one looking at applications that can be used to deliver online events, community engagement and consultation, the other has reviewed the village halls advice and information service to identify possible digital solutions.

Purpose of designated funds

ACRE Network Service Review Delivery

The ACRE Board designated funds to support the research review and modernisation of its services.

Supporting ACRE Network members

The ACRE Board designated funds to support a strategic review of ACRE member services in order to identify the best and most sustainable way of safeguarding such services for end beneficiaries in the future.

LLP Consultancy (Cirican)

The ACRE Board designated funds to underpin 'Cirican' the ACRE Network Consultancy vehicle, established to capitalise on members' extensive experience and understanding of rural issues, and to generate an income stream to advance ACRE's charitable aim of supporting rural communities.

19 Government grants

The charitable company received government grants during the year, defined as funding from the Department for Environment, Food & Rural Affairs (DEFRA), to fund charitable activities. The total value of these grants is shown below. There were no unfulfilled conditions or contingencies attaching to these grants in the current or prior year.

	Restricted £	Unrestricted £	2023 Total £	2022 Total £
DEFRA support to rural communities	1,633,000	79,000	1,712,000	1,712,000
Village Hall Improvement grant (DEFRA)	–	–	–	36,694
National Lottery Community Fund	–	8,333	8,333	99,968
Total	<u>1,633,000</u>	<u>87,333</u>	<u>1,720,333</u>	<u>1,848,662</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2023

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

	2023 £	2022 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(391,686)	(829,454)
Depreciation charges	463	1,031
Dividends, interest and rent from investments	(1,151)	(60)
(Increase)/decrease in debtors	10,946	(48,728)
(Increase)/decrease in loan fund cash	(3,755)	69,122
Increase/(decrease) in creditors	(6,191)	(79,839)
Net cash provided by / (used in) operating activities	(391,374)	(887,929)

21 Analysis of cash and cash equivalents

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	515,220	(416)	514,804
Account for village hall improvement grant scheme	391,193	(391,193)	-
Total cash and cash equivalents	906,413	(391,609)	514,804

22 Operating lease commitments

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

	Property		Equipment	
	2023 £	2022 £	2023 £	2022 £
Less than one year	6,245	8,327	1,387	1,505
One to five years	-	4,163	1,271	3,037
	6,245	12,490	2,658	4,542

23 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.

23 Related party transactions

Related party transactions made with trustees are detailed in note 8. Related party transactions in the form of grants paid to members are detailed in note 10. Cirican LLP is a commercial research partnership of which ACRE is a member. ACRE invested £3,000 in the partnership in 2021. There were no balances outstanding at year end.

ACTION WITH COMMUNITIES IN RURAL ENGLAND (ACRE)

England & Wales - Charity number 1061568

Accounts

Company number: 3336101
Charity number: 1061568

Action with Communities in Rural England
Report and Financial Statements
31 March 2022

Action with Communities in Rural England

Reference and administrative details

For the year ended 31 March 2022

Status	The organisation is a charitable company limited by guarantee, incorporated on 19 March 1997 and registered as a charity on 26 March 1997.	
Governing document	The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.	
Company number	3336101	
Charity number	1061568	
Registered office and operational address	2 The Quadrangle Banbury Road Woodstock Oxfordshire OX20 1LH	
Honorary officers	David Emerson CBE Janet Thornton MBE Dominic Driver	Chair Vice Chair Vice Chair
Executive Director	Richard Quallington	
Company Secretary	Richard Quallington	
Bankers	Lloyds plc 14 Castle Street Cirencester Gloucestershire GL 7 1QJ	
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ	
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5 th Floor, Mariner House 62 Prince Street Bristol BS1 4QD	

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2022

The directors present their report and the audited financial statements for the year ended 31 March 2022.

Introduction

The 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 and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Mission, objectives and activities

ACRE's objects are *to promote any charitable purpose to improve the conditions of life of people and communities in rural areas in England and Wales. More specifically ACRE's mission is to work with its 38 members and other key stakeholders to evidence and address need, to inform and to influence at a national level, speaking up as the voice of rural communities across England. ACRE's beneficiaries are at the heart of all its work specifically; all people living in rural areas of England, but especially those who are at risk of isolation and disadvantage and for whom rurality brings additional challenge and cost to their daily lives.*

ACRE reviews its strategic priorities, aims and objectives on a regular basis as part of the business planning cycle. Following a roll forward of the business plan during the Covid pandemic, a membership and wider stakeholder engagement exercise and an analysis of the wider operating environment, the board adopted a new three-year corporate plan 2022-25 in readiness for the start of the new financial year.

Vision

ACRE's vision is *'Rural Communities that are thriving, inclusive and sustainable and which have the services needed to ensure equity for all residents'*. And *'rural places that are fully engaged in the UK's future policies and ambitions'*.

This vision is underpinned by behaviours which support the following values:-

- Responsive – responding and listening to the needs of members and beneficiaries;
- Innovative – testing and developing new approaches;
- Collaborative – working with others to achieve results for our members and beneficiaries;
- Empowering – enabling members and rural communities to take action; and
- Solution focused – achieving results that make a difference.

Objectives

ACRE's core objective is to promote a healthy, informed, vibrant and sustainable rural community sector that is well equipped to address local need whilst being able also to influence and benefit from, policies and initiatives at national, sub-national and local level. Specifically as the 39th member of the ACRE Network, ACRE's main purpose is to:-

- Gather evidence and conduct research to improve the outcomes for rural communities;
- Articulate a voice for rural communities at the national level;
- Influence decisions that impact on rural communities; and
- Deliver programmes through our members which directly improve the lives of our end beneficiaries, and which increase the resilience of rural communities.

As the national body of The ACRE Network, ACRE also provides support for its member organisations to build their capacity in serving and responding to the needs of rural communities.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2022

Our funders and sponsors

The greater extent of our work this year was only made possible with the help and support of our funders and sponsors.

We are extremely grateful to the following for their financial support during the year:-

- ACRE members
- Ansvar
- Defra
- Hallmaster
- National Lottery Community Fund
- Norris and Fisher
- Tennyson Insurance (Zurich)
- Tudor Trust
- Utility Aid

Activities

ACRE's day to day activities during the year were focused on eight specific strands of work namely:-

1. Research and intelligence;
2. Voice and influencing;
3. Collaborating with key partners;
4. Programme development and delivery;
5. Supporting the ambitions of ACRE Network members;
6. Developing Digital Solutions;
7. Marketing and Communications; and
8. Governance, leadership and management of ACRE.

How our activities deliver public benefit

ACRE's charitable activities are to alleviate rural disadvantage in rural communities throughout England through its activities and achievements, a sample of which are set out below.

Achievements and performance

During **2021-22**, ACRE continued to develop its strategy for advocacy on behalf of its end beneficiaries in three major directions:

- Securing ongoing recognition of the value delivered by the ACRE Investment agreement with the Department for Environment, Food and Rural Affairs (Defra) by ensuring effective delivery and by highlighting impact;
 - Positioning ACRE members as primary agents of change in rural communities in the implementation of localism and other Government policies; and
 - Capitalising on the ACRE Network's reach into rural communities and its expertise in ensuring rural communities and particularly those most disadvantaged by rurality benefit from national policy initiatives.
1. In addition to overseeing the delivery of the **ACRE Network Agreement with Defra** which enables ACRE's 38 members to focus practical support on rural communities across rural England, ACRE worked hard to secure a roll-over of the funded arrangement pending the outcome of the comprehensive spending review (CSR) by Government. A continuation at the same level of funding was agreed at the end of the financial year. Additionally, an 'in principle' three-year funded relationship with Defra was also achieved for the lifetime of the spending review up until 2025, thus enabling ACRE members to plan with greater certainty for the support of end beneficiaries and rural communities for an extended period.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2022

2. ACRE continued to improve the **monitoring and evidence** gathering that supports and underpins the ACRE Network Agreement with Defra. With enhanced reporting, the continuing development of a bank of case studies and examples of best practice to evidence impact, ACRE has been able to demonstrate more clearly to Defra the value of the Agreement. Throughout the year, and especially in light of the impact of the pandemic on rural communities, ACRE has continued to develop closer links with the Defra team to ensure that grassroots intelligence from the ACRE Network is used to inform decision making within Defra and other Government departments.
3. ACRE administers the **Rural Community Buildings Loan Fund** of £700,000 on behalf of Defra, which provides financial support to village hall management committees to improve facilities for their communities. During 2021/22, 27 loans were live during the year, 6 new loans were paid out totalling £139,920 and 5 further loans have been agreed totalling £71,029. The total value of the loans outstanding at the end of the year was £303,050.
4. ACRE's **Village Hall Information and Advice Service** provided support for ACRE members during the year through their online platform, website and Zoom meetings. The focus for ACRE has been on updating and reviewing Information Sheets – over 50% have been updated this year. The face-to-face training event, postponed from 2020, was well attended by Network members. Three Zoom training sessions have been held as well as 3 induction sessions for new advisers and 2 livestream sessions on risk assessment and insurance basics have been held in partnership with Zurich. The agreement with Bates Wells Solicitors has provided legal support for halls at reduced cost. Both ACRE members and countless village hall management committees have been fulsome in their praise for the quality and timeliness of ACRE's briefings both during and emerging from the pandemic.
5. The **Village Hall Improvement Grant Fund** was extended until 30th September 2022 to cater for project setbacks caused by delayed building works and issues with securing match funding allocations due to the pandemic. In total the Fund has awarded 123 grants totalling £2,749,460.
6. 2021 saw a continuation of **the linked centenaries of the ACRE Network**, and of a **100 years of professional support for village halls**, with the latter being a greater focus this year. The highlight of this was a celebration event in November held in South Luffenham village Hall in Rutland, and which was attended both by many of those nationally who currently support such halls, or who have done so in recent decades, together with Defra colleagues and other supporters. Many others joined via a live stream, including the Minister Lord Benyon who introduced the event with a welcoming speech. The hall itself is one of some 10,000 village and community halls across rural England, dating back to the 1920s and was recently renovated with a grant from the Village Hall Improvement Grant Fund managed by ACRE.
7. The attendance at South Luffenham echoes **the involvement of many other former ACRE member employees and trustees** who have been contributing a huge amount of time and expertise to the creation of some longer lasting records of the work of the ACRE Network over the preceding centenary. Such centenaries are significant in themselves for the longevity they demonstrate of commitment to rural communities and insight around the needs of rural dwellers. But of more direct pertinence to ACRE's mission is the learning that is now being drawn from these records being collated from over the past century, and which can inform and give wider context to the current challenges and issues facing rural communities. ACRE is greatly indebted to the many Network alumni and other supporters who have spent much time drawing together historical records, a sample of which is now available at [100ruralyears](#).
8. One special output of note from this work is the [publication](#) of **Reaping a Community Harvest**. This history of support for England's rural communities chronicles the origins, achievements, and current circumstances of ACRE

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2022

members. It is a story of the people, ideas and organisations behind the numerous initiatives and schemes developed in particular by (former) ACRE members over the century to improve the lot of those living and working in the countryside. ACRE records its gratitude to Professor Nigel Curry who researched and wrote the book, for his dedication and commitment in supporting ACRE and the centenary in this way.

9. In pursuance of its role of **speaking up for rural communities**, ACRE continued its engagement in a wide range of national advisory and steering groups including: The Rural Housing Network; Post Office Advisory Group; End Fuel Poverty Coalition; Rural England CIC and DLUHC (Department for Levelling Up, Housing and Communities) Communities Partnership Board.
10. As with almost everything else, **ACRE's advocacy for rural communities**, and work with government and national partners during the year was dominated by the pandemic. By April 2021 the phases and variants of Covid were becoming more familiar and, consequently the work with government and members on the imposition and release of restrictions was more familiar. Whilst the constraints and concerns amongst rural communities persisted, we were able to focus our work more closely on the priorities that we had identified in our Manifesto, the previous year, for both a "post-Covid" and a "post-Brexit" world.
11. In the early part of 2020/21, the **Government's Spending Review and the new programme set out in the Queen's Speech** included announcements about replacements for rural EU funding. This dominated much of ACRE member's thinking. The previously adopted Manifesto was rolled forward to take account of these changes and the following identify ACRE's policy activity during the year under these nine headings:-
 - a) **Civil Society and Village Halls.** Following the announcement of The Community Ownership Fund we sought to ensure that there would be opportunities for communities that already owned assets that may have fallen into disrepair to access the fund. Other key issues over which we sought to increase influence on behalf of rural communities included access to banking – an issue that continues to cause concern following the year-end, small scale procurement and social value following the UK's withdrawal from the EU, and Government relationships with the wider civil society sector. Over the year our relationship with NCVO and other national civil society organisations has strengthened, adding value to our own advocacy.
 - b) **Affordable housing and planning.** Despite the earlier publication of the Planning White Paper in 2020, little had moved forward in this area at a national level until February 2022 when the Levelling Up White Paper was published and subsequently the Levelling Up and Regeneration Bill which contained a substantial section intended to reform the planning system. ACRE prepared an extensive briefing for the Network on the Levelling Up White Paper and especially those parts of it that Government intended to monitor to demonstrate that levelling up had been achieved. Although closely related to planning and housing issues this contained little detail about what might be intended for the planning system. We worked with Defra and other members of the Rural Coalition to seek to achieve much greater 'rural proofing' of the White Paper's measures, including affordable housing in rural areas.
 - c) **Rural health and care.** Our most recent member survey demonstrated that the area of activity carried out most commonly, after support for Village Halls, was projects and services to support rural communities with health and care initiatives. Towards the end of the year, we initiated an internal policy and practice forum for members working in this area and started planning a first 'face to face' event for practitioners for later in 2022. Specific policy issues that we sought to influence during the year included: the NHS's major consultation on the future of the Non-Emergency Patient Transport Service; our members' learning from several years of

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2022

championing social prescribing – especially through village agent programmes; an approach to joint working with NAVCA (National Association for Voluntary and Community Action) and our overlapping members intended to ensure rural voluntary organisations became fully involved in Integrated Care Systems and work with members and with members of the House of Lords to seek to embed rural proofing in the Health and Social Care Act. In order to go ‘upstream’ of policy to find ways of influencing the Department of Health and Social Care we have been working with Defra on a rural ‘cut’ of the Index of Multiple Deprivation and Joint Strategic Needs Assessments to help to target rural areas at a local level of NHS decision making.

- d) **Youth and opportunity.** Most of our members believe that young people are often the most disadvantaged by their rurality, however we have achieved little rural policy ‘traction’ in this area to date. During the CSR we pressed for a specific scheme to replace the Educational Maintenance Allowance to help rural young people with post-16 educational choices, but without success.
- e) **Economy and social enterprise.** After Government had announced several rounds of funding to assist in the regeneration of town centres a follow up scheme – the Community Renewal Fund – was released that appeared to be more targeted on rural areas. ACRE sought to influence the rural targeting of this fund and supported the eighteen members of the ACRE Network that found themselves in priority areas. As this fund was also to be used as a pre-cursor to the UK Shared Prosperity Fund we actively engaged Defra in the projects that were coming forward from our members so that learning could be channelled into the UKSPF (UK Shared Prosperity Fund). We continue to press for a community led regeneration scheme that could be universal across England as a successor to the LEADER programme.
- f) **Net zero and fuel poverty.** With so much attention being focused on COP 26, it was important during the year to be clear on our policy line in relation to net zero. ACRE has aligned very closely with the Rural Coalition and organisations such as the End Poverty Coalition to press for a ‘just transition’ to net zero. By this we, and others, mean that people living in rural England should be supported through a transition to net zero and not become the victims of an approach that seeks solely to ‘price out’ carbon from people’s daily lives. To this end we have actively sought to advocate for policies that will enable rural communities to decarbonise by ensuring electric car charging points reach them; the electricity generation and distribution network in rural areas can deliver what will be needed in future; and those living off the gas grid are not disadvantaged over more urban areas in the timing, practicality, and cost of their transition. We continue to work closely with the Office of Zero Emission Vehicles over the funding of electric vehicle charging points at village halls.
- g) **Connectivity and transport.** Despite a call for evidence in 2020 little progress seems to be being made on a Future of Transport – Rural Strategy. On the other hand, the Government has got fully underway with Project Gigabit and ACRE has worked with other rural organisations to press for the original commitments to 100% coverage to be fulfilled. At a practical level, much of the year has been taken up by the Government’s executive agency, BDUK (Building Digital UK), carrying out market assessment on a County-by-County basis in order to assess what needs to be procured in the most rural areas. We have sought to ensure our members get rapid information about it as each County is assessed. We have developed a good relationship with BDUK in preparation for the point in the procurement process when it becomes clear that specific local initiatives may be the only available way forward.
- h) **Diversity and equality.** Many ACRE members are involved in projects locally that actively seek to engage people living in rural areas from diverse backgrounds to understand their perspectives on rural community life. Although clearly identified as a priority for ACRE it is an area where practical action at a national, rural, level

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2022

can be hard to identify. In previous years we had debated with our Network members whether there should be scope to have 'rurality' treated in the same way as the protected characteristics that are enshrined in Equalities legislation. Our conclusion has been that there are practical reasons not to do so, but rurality clearly add to the challenge for some part of the population and this calls for a carefully nuanced approach.

- i) **Rural and landscape strategy.** For many years we have worked with other members of the Rural Coalition to call for a broadly based Rural Strategy for England. We have not focussed heavily on this during the year as it does not seem to be a key priority for Government currently. We have, however, worked both individually and with other Coalition members to actively prompt the 'rural proofing' of policies and programmes that are important to rural people and now see the Annual Rural Proofing Report, linked to the proposed annual report on levelling up as a means to achieve this. Defra's Rural Impacts Stakeholder Forum, established during the early days of the pandemic, has now developed into a monthly Rural Insights Forum and we take an energetic part in this to encourage active rural proofing. We have also made the case for a national land use strategy in the consultation over Government's response to its review of the Protected Landscapes and have pressed the case for these to put more emphasis on the needs of the communities within them.
12. During the year we highlighted operational concerns in relation to the **delivery of Affordable Rural Housing**, collecting data and evidence and sharing this with stakeholders. ACRE continued to advance the cause of affordable rural housing by providing technical support to members on housing and planning issues. We supported our members and Rural Housing Enablers by providing them with information and training. Areas of activity included:-
- Building the evidence base for rural affordable housing through surveying Rural Affordable Housing delivery;
 - Regular liaison with Defra and Homes England on rural housing issues; and
 - Attendance at Rural Housing Network meetings.
13. ACRE has been strengthening links with the **UK and Ireland Rural Network** which was formed to share information and good practice. Members include Irish Rural Link, Scottish Rural Action, Rural Community Network NI, PLANED as well as several individuals working within a rural context. ACRE endorsed two appointments to the Board of the European Rural Communities Alliance.
14. Throughout the year **ACRE prioritised the needs of its 38 members** by providing, guidance and advice and one to one strategic support for individual members facing specific challenges. With the ending of the Network Development Group, overseeing the collective change and development within the ACRE Network as a whole, ACRE's role in driving this work forward has been roundly endorsed by members and is now featured as a key element in ACRE's new corporate plan. With the continuation of online working during the year we further developed the use of the digital platform Basecamp to support collaboration across the Network and continued with the regular monthly meeting of ACRE Network Chief Executives established at the height of the pandemic to improve communication and to promote mutual support.
15. Towards the end of the year **ACRE improved its online presence** with the launch of a new website sporting a new structure, content, and presentation. The site was designed to better articulate our vision for rural communities, clearly demonstrate how we work with our members, as well as allowing for various media, including news items, blogs, publications, and videos to appear on key pages. The improved accessibility of our online presence has seen a substantial growth in subscribers to our media releases and blogs. Our social media following has also grown with over 200 new Facebook page likes and more than 300 new followers on twitter. We have also started to use

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2022

LinkedIn and Instagram more regularly and our following on these platforms is progressively growing. Our reach across these social media platforms is growing and approaching 6,000 contacts.

16. A specific and focused media event was held in January; **the fifth annual Village Halls Week**. The campaign raised an awareness of the contribution that village halls make to rural communities, and encouraged halls to innovate for the future, profiling the opportunities that halls have to accommodate a greater range of activities and events, contribute to net zero and become more financially resilient. Defra minister, Lord Benyon, launched the week at an event hosted by, ACRE member, Connecting Communities in Berkshire at The Victory Room in Bucklebury, Berkshire which was livestreamed to social media utilising ACRE's in-house facilities and skills. The event was attended by approx. 30 guests, a further 40 joined online and the livestream recording has been watched over 500 times to date. Initial social media analysis shows that there was significant traffic related to the campaign with 223 mentions of #VillageHallsWeek, reaching c.316,000 people and attracting 1,331 reactions.
17. **ACRE continued to raise its voice on key rural issues**. Over the course of the year, we published 16 press releases, 10 blogs and 4 newsletters for network colleagues. Although we received positive reactions to many of these postings on social media, press pick-up remains an area for further development. We have also begun documenting best practice from our members in the form of short case study films featuring innovative ACRE member projects. These videos are helping to make the work and impact of our members more engaging attracting much more interest than standard press releases.
18. In pursuit of a more blended approach to funding the organisation **ACRE has worked with several corporate partners** during the year including Norris & Fisher, Ansvar, Utility Aid and Zurich which has also helped ACRE produce media to interested village halls and to increase our audience. At the close of the year, we hosted a livestream on risk assessment supported by Zurich; the recording has subsequently been watched over 600 times.
19. Delivery of the **National Lottery Community Fund resourced New Infrastructure Programme** has improved the ACRE Network's knowledge of and capability to use digital applications. During the year the programme has established an interactive website for the sharing of members experience on the use of different applications and digital technologies. ACRE also delivered a series of peer led workshops which enabled members to consider and learn about different applications for hosting online events and consultations. The programme also undertook extensive research with village hall advisers on how to utilise digital technology most effectively in delivering and improving the ACRE Network's information and advice service to village hall committees.
20. This year also saw the conclusion of the delivery of the **National Lottery Community Fund Safeguarding Project** aimed at ensuring every village and community hall across rural England has the knowledge and confidence to provide a safe environment for all. Managed by ACRE the project aspired to improve the awareness of safeguarding, extend the reach of resources, provide an insight into impact, and embed good practice. Due to the Covid restrictions activity and advice went online with ACRE members updating information on policies and procedures and delivering advice and training via digital sessions. Over the two-year project period over 4300 village halls were reached with information and our members collectively delivered 71 training events, 144 Online Zoom sessions, 93 Village Hall Networking events and 33 conferences; all focused on helping village and community halls develop and improve their safeguarding practices.

As this overview highlights, 2021-22 has been shaped by the ongoing impacts of the pandemic as ACRE continued to adapt its delivery to increase remote and online digital working, including a relocation of the office base to facilitate a more hybrid way of working and to reduce premises costs. Despite these challenges it has been a year of opportunities

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2022

and some notable successes. Working with the challenges of limited staff capacity, a growing portfolio of activities and greatly increased demand for ACRE's services has tested and also confirmed the resilience, creativity and flexibility of the highly motivated staff team and specialist associates. They have continued to embrace new ways of working and, despite the challenges have achieved an extensive range of laudable outcomes.

In common with other organisations ACRE has continued to feel the impact of a tightening financial climate coupled with increasing inflationary pressures. This continues to set a very challenging and uncertain operating environment in England for infrastructure charities such as ACRE.

Despite this uncertainty, engagement with Government has continued to grow and the future of the Defra agreement longer term is looking positive. Defra's decision to offer the ACRE Network an 'in principle' three-year funded relationship is extremely welcome as it enables both ACRE and its members to continue to plan both for the future of support to rural communities, and the internal transformational change needed to ensure that the services and support available are relevant and more sustainable in the longer term.

Financial review

Basis of preparation

- The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities.
- Incoming resources are recognised once the charity has entitlement to the resources, it is certain the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability.
- Resources expended – liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.
- Grants payable are payments made to third parties in furtherance of the charitable objectives of the charity.

The directors report a net reduction in total resources of £829,454 (31 March 2021: a net reduction of £1,216,139). The closing fund balances at 31 March 2022 were £846,153.

The statement of financial activities (SoFA) shows that the total incoming resources for the year were £2,084,193 compared with £2,119,636 for the previous year.

During the year ACRE received £1,746,915 restricted income and £337,278 unrestricted income. A list of the restricted funds is included in note 18. All incoming resources for the year have been secured specifically to advance the charity's strategic objectives.

Reserves policy

The directors consider that the level of unrestricted reserves should be sufficient to invest in essential capacity during short-term funding shortfalls, allow time for reorganisation in the event of a longer-term downturn in income, protect ongoing work programmes and allow ACRE to meet its legal requirements. The target level for unrestricted reserves is the equivalent of three months of the charity's general expenditure budget plus an allocation to allow for longer-term liabilities and contingencies and an additional element to support ACRE's research and development objectives and transformational change. Directors confirm that ACRE is in compliance with the agreed reserves policy.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2022

The directors can also designate other unrestricted funds to ensure that ACRE can continue to operate effectively, meeting its anticipated liabilities and the development needs of the wider ACRE Network as it continues to focus on enhancing outcomes for end beneficiaries.

At 31 March 2022, the total reserves were:	£846,153
Restricted funds:	£370,703
Designated funds:	£22,000
General funds:	£453,450

Principal funding sources

The majority of ACRE's funding for 2021-22 came from 'a grant in aid' agreement from Defra; over 95% of which was directly allocated to local organisations to deliver work at a county level. The main other source of income was derived from membership fees paid by the ACRE members. This funding was used to support ACRE's key themes of activity.

Plans for future periods

Key objectives for 2022-23

During the forthcoming year, ACRE will continue to assess the impact that government policy, the reopening of society following the pandemic and the current cost of living crisis, might have on its end beneficiaries in rural communities and how its own role in relation to supporting the work of members might need to evolve and change as a result. ACRE will complete a review of the delivery of its national village and community halls service and will bring forward plans for the future resourcing and development of that service. The newly adopted corporate plan will be utilised to set the strategic framework for the organisation whilst the annually reviewed operational plan will drive forward its delivery. Over the lifetime of the corporate plan ACRE's role will continue to be focused on *'all people living in rural areas of England but especially those who are at risk of isolation and disadvantage and for whom rurality brings an additional challenge and cost to their daily lives'*.

ACRE anticipates that its work will continue to be focused on:-

- Gathering evidence and conducting research to improve outcomes for rural communities;
- Articulating a voice for rural communities at a national level;
- Influencing decisions that impact on rural communities; and
- Delivering programmes through our members which directly improve the lives of our beneficiaries and which increase the resilience of rural communities.

Funds held as custodians

Defra investment in the ACRE Network

A further year of investment to enable the ACRE Network to deliver support to rural communities within the key Defra priority themes was secured. The investment in support of rural communities through the Network amounted to £1,633,000 during the year. ACRE, as the national umbrella body of The Network, was the accountable body for these funds.

ANPAC

ACRE has held funds on behalf of the National Parks Residents Association (ANPAC) for use only as designated by them. The Association did not draw down from this fund during 2021-22.

Rural Communities Buildings Loan Fund

ACRE administers the Rural Communities Buildings Loan Fund on behalf of Defra. This fund previously known as the Village Hall Loan Fund has been in existence since the 1930s.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2022

Rural Coalition

ACRE undertakes the secretariat for the Rural Coalition. The funds from the Rural Coalition membership were distributed as agreed by members during 2021-22 and the remnants carried forward to activity planned for 2022-23.

Village Hall Improvement Grant

ACRE administers the Village Hall Improvement Grant fund on behalf of Defra. It is anticipated that this fund will be fully utilized during 2022-23.

Structure, governance and management

Organisational structure

Action with Communities in Rural England (ACRE) is a company limited by guarantee (number 3336101) with a Board of Directors elected at general meetings by its 38 members, and in accordance with the Articles of Association adopted on 18 June 2014 and amended on 29 November 2016 and 27 November 2018.

Governance

The Board of Directors is responsible for the governance and the management of ACRE. The ACRE Board consists of not less than six but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The chair is elected at the AGM by the members.

All directors have an induction into the organisation and receive a Director Induction Pack. No person may normally serve as a director for more than seven consecutive years. They may then be re-elected after an interval of at least one year.

During the year all directors gave of their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity and any instances where directors have received benefit from the charity for specific services, as permitted under clauses 4 (2) and 4 (3), are set out in note 8 to the accounts.

Management

The staffing structure at ACRE has focused on retaining capacity to support the operational and leadership requirements of the organisation; a flatter more empowering management structure remains in place as is appropriate for a small staff team. The Executive Director retains responsibility for operational decisions and for delivering the organisation's strategic objectives. There are currently no plans to expand the team appreciably in the foreseeable future.

Risk management

The directors are committed to a regular review of the major strategic, business and operational risks which ACRE faces, with a view to ensuring that appropriate systems and procedures are in place to minimise these risks. In particular the risk of government reducing or ceasing its funded relationship with the ACRE Network is considered carefully by the ACRE board on a regular basis during the year and mitigating actions including; identifying and exploring alternative sources of funding and developing new partnership arrangements with key stakeholders; the establishment and development of Cirican (the ACRE Network's consultancy arm) have been investigated and continue to be pursued as part of the organisation's ongoing plans. This and other risks to the fulfilment of ACRE's strategic priorities are kept under constant review by the directors via the risk register which is reviewed periodically.

The financial challenges occasioned by the Covid pandemic have substantially given way to the current cost of living difficulties, inflationary pressures, and a very tight financial climate. Trustees have kept, and continue to keep, these additional pressures under constant review, especially so in relation to managing the risk to ACRE of staff turnover resulting in loss of capacity and skills to support the organisation and its work. However, the current remuneration

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2022

policy and ongoing grant funding from Defra and other funders, combined with the current healthy level of unrestricted reserves provides a reasonable level of confidence and reassurance that any challenges will have a manageable impact on the organisation's performance and longer term financial position.

Register of interests

All Board members complete an annual declaration of interests in compliance with the Conflict-of-Interest Policy. This is updated as required during the year. Board members are required to declare any related interest in decisions at the start of all Board meetings, or thereafter if relevant topics arise.

Related parties and connected organisations

ACRE receives membership subscriptions from its 38 members. In addition, ACRE works with members on joint initiatives. During 2021-22 a total of £1,633,000 was committed to members through the Defra/ACRE Investment Programme.

Whilst some of the directors elected are also directors or chief executives of ACRE Network members, within an ACRE context they have no influence over business transactions between members and ACRE.

Remuneration policy

ACRE recognises that the delivery of its mission and strategic priorities is largely dependent upon the skills, knowledge and experience of its staff. It is therefore committed to ensuring that the staff are provided with appropriate remuneration to encourage and enhance performance and, in a fair and responsible manner, are rewarded for their contributions to the success of the charity. The salaries of ACRE staff are reviewed on an annual basis in the light of inflationary pressures. Directors consider this information alongside the affordability for ACRE to inform and adjust salaries and remuneration accordingly.

Where appropriate, ACRE employs freelance contractors to undertake specific activities for the organisation. These include research, marketing, finance, governance support, relationship management and leadership. Directors ensure that whilst the associated remuneration is sufficient to attract individuals with the skills, experience and competencies required, rewards are also benchmarked against sector averages for similar activity and levels of responsibility.

Grant-making policy

ACRE administers grants on behalf of other charitable trusts and government organisations that further the charity's objectives. The grant-making processes are agreed with the funders from the outset. Grants are paid on respective merits and follow transparent and rational processes.

ACRE's unrestricted funds are not used for grant-making purposes, unless by resolution by the directors. Arrangements are in place to segregate grant-making decisions ensuring conflicts of interests are avoided in the governance of ACRE.

Fundraising policy

ACRE does not engage in any direct fundraising from members of the public and does not employ fundraisers. However, the directors are aware of the fundraising requirements and the code of fundraising practice and ensure that the charity is compliant with the code in all its fund-raising activities.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2022

ACRE members at 31 March 2022

Action with Communities in Cumbria	Connecting Communities in Berkshire
Action with Communities in Rural Kent	Cornwall Rural Community Charity
Action Hampshire	Devon Communities Together
Action in rural Sussex	Dorset Community Action
Bedfordshire Rural Communities Charity	Durham Community Action
Cambridgeshire ACRE	GRCC Community Action in Gloucestershire
Cheshire Community Action	Humber & Wolds Rural Action
Community Action Isle of Wight	Northamptonshire ACRE
Community Action Norfolk	Rural Community Action Nottinghamshire
Community Action Northumberland	Rural Action Derbyshire
Community Action Suffolk	Rural Community Council of Essex
Community Council for Somerset	Rural Community Council (Leicestershire & Rutland)
Community Development Action Hertfordshire	Community Resource (Shropshire)
Community First in Herefordshire and Worcestershire	Support Staffordshire
Community First Oxfordshire	Surrey Community Action
Community First, Wiltshire	Tees Valley Rural Action
Community First Yorkshire	Warwickshire Rural Community Council
Community Futures, Lancashire	West of England Rural Network
Community Impact Bucks	YMCA Lincolnshire (incorporating Community Lincs)

Statement of directors' responsibilities

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

Company law requires the directors 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 these financial statements, the directors 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2022

- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The directors 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 directors

Directors, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Ivan Annibal	Elected November 2017
Louise Beaton OBE	Elected November 2017
Charles Coates	Elected November 2017
Elaine Cook	Elected November 2018
Nigel Curry	Elected November 2018
Sue Dovey	Elected November 2018
Dominic Driver	Vice Chair - Elected November 2016
David Emerson CBE	Chair – Elected November 2014
Doff Pollard	Elected November 2015
Mark Shucksmith OBE	Elected November 2014
Janet Thornton MBE	Vice Chair – Appointed November 2019
Jim Webster	Appointed November 2018

Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2022 was 38 (2021 - 38). The directors have no beneficial interest in the charitable company.

Action with Communities in Rural England

Report of the directors

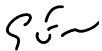
For the year ended 31 March 2022

Auditors

Following a market testing exercise in 2017 Godfrey Wilson Ltd was appointed as the charitable company's auditors.

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

Approved by the directors on 29th June 2022 and signed on their behalf by



David Emerson – Chair

Independent auditor's report

To the members of

Action with Communities in Rural England

Opinion

We have audited the financial statements of Action with Communities in Rural England (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Independent auditor's report

To the members of

Action with Communities in Rural England

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

Independent auditor's report

To the members of

Action with Communities in Rural England

(1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.

(2) We reviewed the charity's policies and procedures in relation 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 risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
- Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.

(3) We inspected the minutes of trustee meetings.

(4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.

(5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.

(6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

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. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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

Independent auditor's report

To the members of

Action with Communities in Rural England

Alison Godfrey

Date: 2 August 2022

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:
GODFREY WILSON LIMITED
Chartered accountants and statutory auditors
5th Floor Mariner House
62 Prince Street
Bristol
BS1 4QD

Action with Communities in Rural England

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

For the year ended 31 March 2022

		Unrestricted	Restricted	2022 Total	Unrestricted	Restricted	2021 Total
	Note	£	£	£	£	£	£
Income from:							
Donations and legacies	2	3,815	-	3,815	2,800	-	2,800
Charitable activities							
Charitable activities	3	332,119	1,746,915	2,079,034	323,926	1,792,182	2,116,108
Services and sales	3	1,284	-	1,284	617	-	617
Investments	4	60	-	60	111	-	111
Total income		337,278	1,746,915	2,084,193	327,454	1,792,182	2,119,636
Expenditure on:							
Raising funds	5	3,701	-	3,701	16,237	-	16,237
Charitable activities							
Charitable activities	5	290,138	2,618,161	2,908,299	299,933	3,017,953	3,317,886
Services and sales	5	1,647	-	1,647	1,652	-	1,652
Total expenditure		295,486	2,618,161	2,913,647	317,822	3,017,953	3,335,775
Net income / (expenditure) for the year	7	41,792	(871,246)	(829,454)	9,632	(1,225,771)	(1,216,139)
Transfers between funds		-	-	-	(28,006)	28,006	-
Net movement in funds		41,792	(871,246)	(829,454)	(18,374)	(1,197,765)	(1,216,139)
Reconciliation of funds:							
Total funds brought forward		433,658	1,241,949	1,675,607	452,032	2,439,714	2,891,746
Total funds carried forward		475,450	370,703	846,153	433,658	1,241,949	1,675,607

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18 to the financial statements.

Action with Communities in Rural England

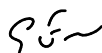
Balance sheet as at 31 March 2022

Company no. 3336101

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	12		367		1,398
Mixed motive investments	13		3,000		3,000
			<u>3,367</u>		<u>4,398</u>
Current assets:					
Debtors	14	313,431		264,703	
Cash at bank and in hand:					
Account for charity funds		515,220		577,790	
Account for village hall improvement grant scheme		391,193		1,216,492	
Account for rural community buildings loan fund		396,950		466,072	
		<u>1,616,794</u>		<u>2,525,057</u>	
Liabilities:					
Creditors: amounts falling due within one year	15	(774,008)		(853,848)	
Net current assets			<u>842,786</u>		<u>1,671,209</u>
Total net assets	17		<u>846,153</u>		<u>1,675,607</u>
The funds of the charity:					
Restricted income funds	18		370,703		1,241,949
Unrestricted income funds:					
Designated funds		22,000		57,000	
General funds		453,450		376,658	
		<u>475,450</u>		<u>433,658</u>	
Total charity funds			<u>846,153</u>		<u>1,675,607</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 29 June 2022 and signed on their behalf by



David Emerson
Chair

Action with Communities in Rural England

Statement of cash flows

For the year ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities	19		
Net cash provided by / (used in) operating activities		(887,929)	(1,241,340)
Cash flows from investing activities:			
Dividends, interest and rents from investments		60	111
Purchase of tangible fixed assets		-	(695)
Purchase of investments		-	(3,000)
Net cash provided by / (used in) investing activities		60	(3,584)
Change in cash and cash equivalents in the year		(887,869)	(1,245,014)
Cash and cash equivalents at the beginning of the year		1,794,282	3,039,296
Cash and cash equivalents at the end of the year	19	906,413	1,794,282

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies

a) Statutory information

Action with Communities in Rural England is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is as stated in the Trustees' Annual Report.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

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

c) Public benefit entity

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

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. The charity has confirmed funding until March 2023 and holds sufficient reserves to continue beyond the next 12 months.

e) Income

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

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

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

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

g) Interest receivable

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

h) Fund accounting

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

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

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

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

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

j) Allocation of support costs

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

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity.

	2022	2021
● Cost of raising funds	1%	3%
● Charitable activities	96%	96%
● Services and sales	3%	1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1 Accounting policies (continued)

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Fixtures and fittings 3 years straight line basis

m) Mixed motive investments

Mixed motive investments represent the charitable company's partner interest in Cirican LLP, which the trustees consider to have the dual objective of both financial return and furtherance of charitable objects. The investment is carried at fair value through the income and expenditure account. The LLP is an unquoted investment vehicle and a degree of judgement is required in assessing the fair value. At initial recognition the fair value is deemed to be the transaction amount. A review for impairment will be carried out annually.

n) Debtors

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

o) Cash at bank and in hand

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

p) 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.

q) 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

s) Grants payable

Grants which have been authorised and paid are included as expenditure in the Statement of Financial Activities. Grants which have been authorised but not yet paid are accrued in the balance sheet and are included within creditors.

t) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Depreciation

As described in note 1(l) to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

Mixed motive investments

As described in note 1(m) to the financial statements, mixed motive investments are carried at their fair value. However, the current investment is an unquoted investment vehicle and a degree of judgement is required in assessing its fair value

2 Income from donations and legacies

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Gifts	3,815	–	3,815	2,800
	<u>3,815</u>	<u>–</u>	<u>3,815</u>	<u>2,800</u>

All income received from gifts in the prior period was unrestricted.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2022

3a Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £
Defra support to rural communities	79,000	1,633,000	1,712,000
Digital Discovery (CAST)	-	5,000	5,000
Rural communities buildings loan fund	20,000	-	20,000
Tudor Trust	-	5,000	5,000
Big Lottery Digital Infrastructure	-	50,000	50,000
Utility Aid	2,500	-	2,500
Norris & Fisher	6,750	-	6,750
Ansvar	6,750	-	6,750
Conferences	3,425	-	3,425
Hallmaster	-	270	270
Tennyson Insurance (Zurich)	6,000	-	6,000
Big Lottery Safeguarding grant	-	49,968	49,968
Village Hall Improvement Grant (DEFRA)	36,694	-	36,694
Interest from VHIG account	-	77	77
Rural Coalition	-	3,600	3,600
Membership	171,000	-	171,000
Sub-total for charitable activities	332,119	1,746,915	2,079,034
Sales; publications	1,261	-	1,261
Staff fees	23	-	23
Sub-total for other charitable activity	1,284	-	1,284
Total income from charitable activities	333,403	1,746,915	2,080,318

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2022

3b Income from charitable activities (prior year)

	Unrestricted £	Restricted £	2021 Total £
Defra support to rural communities	79,000	1,633,000	1,712,000
Vonne Safeguarding	-	1,418	1,418
Rural community buildings loan fund	20,000	-	20,000
Defra Village Hall Survey post CV-19	-	15,000	15,000
Big Lottery CV-19	-	69,500	69,500
Utility Aid	2,000	-	2,000
Allied Westminster	2,000	-	2,000
Norris & Fisher	2,000	-	2,000
Centre for Discovery	-	5,000	5,000
Hallmaster	-	310	310
Power 2 Change	-	13,435	13,435
Carnegie	-	10,000	10,000
Big Lottery Safeguarding grant	-	40,498	40,498
Village Hall Improvement Grant (DEFRA)	48,926	-	48,926
Interest from VHIG account	-	421	421
Rural Coalition	-	3,600	3,600
Network Development Group	37,000	-	37,000
Membership	133,000	-	133,000
	<hr/>	<hr/>	<hr/>
Sub-total for charitable activities	323,926	1,792,182	2,116,108
Sales; publications	617	-	617
	<hr/>	<hr/>	<hr/>
Total income from charitable activities	324,543	1,792,182	2,116,725
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

4 Income from investments

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
Interest received	60	-	60	111
	<hr/>	<hr/>	<hr/>	<hr/>
	60	-	60	111
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

All income received from investments in the prior period was unrestricted.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2022

5 Analysis of expenditure (current year)

	Cost of raising funds £	Charitable activities			Support costs £	2022 Total £
		Charitable activities £	Services and sales £	Governance costs £		
Staff costs (Note 8)	1,193	137,957	962	24,200	50,055	214,367
Direct costs	-	129,957	96	24,001	15,054	169,108
Defra Grant to ACRE Network	-	1,633,000	-	-	-	1,633,000
Hallmaster commissions	-	270	-	-	-	270
Village Hall Improvement Grants	-	868,357	-	-	-	868,357
Rural Coalition expenditure	-	50	-	-	-	50
Overheads	213	23,644	4	1,337	3,296	28,494
	1,406	2,793,235	1,062	49,538	68,405	2,913,647
Support costs	746	65,286	308	2,066	(68,405)	-
Governance costs	1,549	49,779	277	(51,605)	-	-
Total expenditure 2022	3,701	2,908,299	1,647	-	-	2,913,647

Of the total expenditure, £295,586 was unrestricted (2021: £317,822) and £2,618,061 was restricted (2021: £3,017,953).

Analysis of expenditure (prior year)

	Cost of raising funds £	Charitable activities			Support costs £	2021 Total £
		Charitable activities £	Services and sales £	Governance costs £		
Staff costs (Note 8)	6,409	158,166	956	23,807	38,017	227,355
Direct costs	5,807	187,764	256	14,058	10,029	217,914
Defra Grant to ACRE Network	-	1,633,000	-	-	-	1,633,000
Hallmaster commissions	-	310	-	-	-	310
Village Hall Improvement Grants	-	1,216,209	-	-	-	1,216,209
Rural Coalition expenditure	-	5,455	-	-	-	5,455
Overheads	1,201	28,436	-	1,236	4,658	35,531
	13,417	3,229,340	1,212	39,101	52,704	3,335,775
Support costs	1,481	45,484	221	5,518	(52,704)	-
Governance costs	1,339	43,062	219	(44,620)	-	-
Total expenditure 2021	16,237	3,317,886	1,652	-	-	3,335,775

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2022

6 Grant making to institutions

	2022 £	Restated 2021 £
Cost		
Allocation of Defra Grant	1,633,000	1,633,000
Village Hall Improvement Grants	868,357	1,180,917
At the end of the year	<u>2,501,357</u>	<u>2,813,917</u>

The grant from DEFRA is distributed through ACRE to its 38 members. Please see note 10 for a full breakdown of grants paid.

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2022 £	2021 £
Depreciation	1,031	1,163
Operating lease rentals:		
Property	12,262	23,520
Other	1,677	1,160
Auditors' remuneration (excluding VAT):		
Audit	4,700	4,550
	<u>4,700</u>	<u>4,550</u>

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

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	107,971	118,704
Social security costs	11,107	12,122
Employer's contribution to defined contribution pension schemes	8,083	8,903
Other staff costs	87,206	87,627
	<u>214,367</u>	<u>227,355</u>

No employee earned more than £60,000 during the year (2021: nil).

There were no employee benefits including pension contributions paid to key management personnel during the year as the individuals concerned were self employed. The key management and finance personnel costs totalled £77,756 (2021: £86,887).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil). Louise Beaton, a charity trustee, received £5,570 for consultancy services and related travel costs were reimbursed. (2021 £22,208).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £729 (2021: £673) incurred by 12 (2021: 12) members relating to attendance at meetings of the trustees.

9 Staff numbers

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

	2022 No.	2021 No.
Raising funds	0.1	0.1
Charitable activities	2.8	3.7
Governance	0.1	0.1
	<u>3.0</u>	<u>3.9</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2022

10 Related party transactions

During the year, there were related party transactions in the form of DEFRA grants made to members. Details of these grants are as follows:

	2022 £	2021 £
Action Hampshire	44,675	44,675
Action in rural Sussex	47,395	47,395
Action with Communities in Cumbria	49,265	49,265
Action with Communities in Rural Kent	49,530	49,530
Bedfordshire Rural Communities Charity	35,840	35,840
Cambridgeshire ACRE	44,180	44,180
Cheshire Community Action	39,500	39,500
Connecting Communities in Berkshire	34,840	34,840
Community Action Isle of Wight	33,840	33,840
Community Action Norfolk	50,995	50,995
Community Action Northumberland	42,405	42,405
Community Action Suffolk	45,310	45,310
Community Council for Somerset	44,060	44,060
Community Development Action Hertfordshire	38,065	38,065
Community First in Herefordshire and Worcestershire	43,930	43,930
Community First Oxfordshire	39,640	39,640
Community First, Wiltshire	41,095	41,095
Community First Yorkshire	69,720	69,720
Community Futures, Lancashire	44,240	44,240
Community Impact Bucks	39,000	39,000
Community Lincs part of Lincolnshire YMCA Ltd	49,030	49,030
Community Resource (Shropshire)	40,135	40,135
Cornwall Rural Community Charity	45,670	45,670
Devon Communities Together	53,145	53,145
Dorset Community Action	41,255	41,255
Durham Community Action	42,585	42,585
GRCC Community Action in Gloucestershire	39,220	39,220
Humber & Wolds Rural Action	41,965	41,965
Northamptonshire ACRE	40,280	40,280
Rural Action Derbyshire	44,200	44,200
Rural Community Action Nottinghamshire	40,580	40,580
Rural Community Council (Leicestershire & Rutland)	41,200	41,200
Rural Community Council of Essex	46,875	46,875
Support Staffordshire	42,405	42,405
Surrey Community Action	38,735	38,735
Tees Valley Rural Action	34,235	34,235
WRCC (Warwickshire Rural Community Council)	37,635	37,635
West of England Rural Network	36,325	36,325
	<u>1,633,000</u>	<u>1,633,000</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2022

10 Related party transactions (continued)

Big Lottery Safeguarding	2022 £	2021 £
Action Hampshire	1,000	1,000
Action in rural Sussex	1,000	1,000
Action with Communities in Cumbria	1,000	1,000
Action with Communities in Rural Kent	1,000	1,000
Bedfordshire Rural Communities Charity	1,000	1,000
Cambridgeshire ACRE	1,000	1,000
Cheshire Community Action	1,000	1,000
Connecting Communities in Berkshire	1,000	1,000
Community Action Isle of Wight	1,000	1,000
Community Action Norfolk	1,000	1,000
Community Action Northumberland	1,000	1,000
Community Action Suffolk	1,000	1,500
Community Council for Somerset	1,000	1,000
Community Development Action Hertfordshire	1,000	1,000
Community First in Herefordshire and Worcestershire	1,000	1,000
Community First Oxfordshire	1,000	1,000
Community First, Wiltshire	1,000	1,500
Community First Yorkshire	1,000	1,000
Community Futures, Lancashire	1,000	1,000
Community Impact Bucks	1,000	1,000
Community Lincs part of Lincolnshire YMCA Ltd	1,000	1,000
Community Resources (Shropshire)	1,000	1,000
Cornwall Rural Community Charity	1,000	1,000
Devon Communities Together	1,000	1,000
Dorset Community Action	1,000	1,000
Durham Community Action	1,000	1,000
GRCC Community Action in Gloucestershire	1,000	1,000
Humber & Wolds Rural Action	1,000	1,000
Northamptonshire ACRE	1,000	1,500
Rural Action Derbyshire	1,000	1,000
Rural Community Action Nottinghamshire	1,000	1,500
Rural Community Council (Leicestershire & Rutland)	1,000	1,500
Rural Community Council of Essex	1,000	1,000
Support Staffordshire	1,000	1,500
Surrey Community Action	1,000	1,000
Tees Valley Rural Action	1,000	1,000
WRCC (Warwickshire Rural Community Council)	1,000	1,000
West of England Rural Network	1,000	1,000
	38,000	41,000

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2022

10 Related party transactions (continued)

Village Hall Improvement grants paid to external organisations	2022 £	2021 £
	–	(969)
Arlingham Victory Hall	–	51,123
Ashwell Village Hall	–	46,000
Barsham & Shipmeadow Village Hall	–	10,275
Barton Bendish Village Hall	–	46,681
Beckbury Village Hall	–	23,222
Bishops Wood Village Hall	–	10,000
Blindcrake Village Hall	–	17,500
Borrowdale Institute	–	50,835
Braishfield Village Hall	–	10,000
Bramhope (Robert Craven Memorial Hall)	–	16,101
Broadwas Village Hall	–	15,000
Brockley Village Hall	–	15,000
Burwash Village Hall	–	10,000
Clara Vale Village Hall Association	–	10,063
Clifford Village Hall	–	32,094
Combe Community Hub	–	20,847
Copsale Village Hall	–	38,189
Crookham Village Hall	–	21,000
Dipton Jubilee Centre	–	27,462
Easterton Village Hall	–	10,769
Eastleach Village Hall	–	11,498
Edstaton Village Hall	–	15,719
Ellerdine Village Hall	–	13,427
Felmington Village Hall	–	12,622
Frosterley Village Hall	–	13,006
Granborough Village Hall	–	12,322
Great Brickhall Village Hall	–	35,000
Grindon Parish Hall	–	24,488
Hanworth Memorial Hall	–	18,582
Henfield Village Hall	–	10,000
Hepple Village Hall	–	13,420
Hewish & Puxton Village Hall Ltd	–	16,300
Huntsworth Village Hall	–	5,450
Hunsonby Community Centre	–	47,745
Keekle Village Hall	–	10,666
Kingsley Community Association	–	15,000
Kirkby-in-Furness Village Hall	–	9,776
Lamorna Village Hall	–	11,176
Linton Village Hall	–	10,000
Marnhull Village Hall	–	21,838
Menheniot Old School Trust	–	10,963
Murcott & Fencott Village Hall	–	10,245
Netherwitton Village Hall	–	13,258
Oakhanger Village Hall	–	27,000
Owermoigne Village Hall	–	10,687
Pannal Memorial Hall	–	75,000
Port Isaac Village Hall	–	13,746
Ridgewell Village Hall	–	75,000
The Erskine Centre	–	12,321
The Hive Community Centre	–	10,356
The Old Chapel	–	20,016
Three Parishes Hall	–	20,000
Thursley Village Hall	–	14,858
Willington Peace Memorial Hall	–	10,000
Wolverley Memorial Hall	–	14,049
Woolacombe Village Hall	–	34,190

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2022

10 Related party transactions (continued)

Village Hall Improvement grants paid to external organisations

Abbotsskerswell Village Hall Trust	20,250	–
Bainton Charity	17,546	–
Blymhill Village Hall	13,195	–
Condover Village Hall	14,373	–
Eardisland Village Hall	21,794	–
East Cottingwith Village Hall	12,423	–
Eyke Village Hall	14,400	–
Glanton War Memorial Hall	13,200	–
Godmanchester Baptist Church	36,000	–
Hampton Lucy Village Hall	14,321	–
Highnam Community Centre	24,069	–
Hinton Martell Village Hall	12,906	–
Holyport Community Trust	10,000	–
Itchenor Memorial Hall	11,000	–
John Clements Sports & Community Trust	48,715	–
Lanivet Parish Sports & Recreational Trust	10,000	–
Lazonby Village Hall	14,098	–
Llanwarne & District Village Hall	13,166	–
Long Ditton Village Hall	13,945	–
Longcot Village Trust	41,298	–
New Hutton Institute	14,352	–
Newbald Village Hall	10,000	–
Ninfield Memorial Hall	48,029	–
Otterhampton Village Hall	40,000	–
Over & Nether Compton Memorial Hall	10,000	–
Preston St Mary Village Hall	28,000	–
Sandleheath Village Hall	15,096	–
Sherfield-on-Loddon Village Hall	37,400	–
Shipton Reading Room	64,922	–
Snitterfield Village Hall	23,520	–
South Luffenham Village Hall	13,328	–
St Wilfrid's Church Hall	18,402	–
Veryan Parish Hall	10,227	–
Victory Room, Bucklebury	35,442	–
Warcop New Village Hall	10,985	–
Westoning Village Hall	23,105	–
Wisborough Green Village Hall	75,000	–
Wivelsfield Village Hall	13,850	–
	<u>868,357</u>	<u>1,180,917</u>

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

11 Taxation

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

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2022

12 Tangible fixed assets	Computer equipment £	Total £
Cost or valuation		
At the start of the year	6,136	6,136
Additions in year	-	-
Disposals in year	-	-
At the end of the year	<u>6,136</u>	<u>6,136</u>
Depreciation		
At the start of the year	4,738	4,738
Charge for the year	1,031	1,031
Eliminated on disposal	-	-
At the end of the year	<u>5,769</u>	<u>5,769</u>
Net book value		
At the end of the year	<u>367</u>	<u>367</u>
At the start of the year	<u>1,398</u>	<u>1,398</u>

All of the above assets are used for charitable purposes.

13. Mixed motive investments	2022 £	2021 £
Investment in Cirican LLP	<u>3,000</u>	<u>3,000</u>

During 2020, ACRE made an investment of £3,000 into Cirican LLP. The objective of Cirican is to enable ACRE and those members who are involved in Cirican to tender for larger national research contracts that play to the members' skills and experience, for both financial return and furtherance of charitable purposes.

14 Debtors	2022 £	2021 £
Loans to rural community buildings under loan scheme (Note 15a)	303,050	233,928
Other debtors	6,140	24,100
Prepayments	4,241	6,675
	<u>313,431</u>	<u>264,703</u>
Amounts due after more than one year included in:		
Loans to rural community buildings under loan scheme	<u>232,638</u>	<u>174,687</u>

15 Creditors: amounts falling due within one year	2022 £	2021 £
Rural community buildings loan fund (Note 15a)	700,000	700,000
Trade creditors	7,091	27,133
Taxation and social security	2,568	21,803
Other creditors	18,868	11,718
Village Hall Improvement Grant drawdown confirmed	42,981	-
Deferred income (note 16)	2,500	93,194
	<u>774,008</u>	<u>853,848</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2022

15a Rural community buildings loan fund

Rural community building loan fund administered by ACRE on behalf of Defra:

	2022 £	2021 £
Funds advanced by Defra at 1 April 2021	<u>700,000</u>	<u>700,000</u>
Loans to rural community buildings:		
Outstanding at 1 April 2021	233,928	291,724
Made during year	139,920	31,000
Repayments during year	<u>(70,798)</u>	<u>(88,796)</u>
Outstanding loans at March 2022 (note 14)	<u>303,050</u>	<u>233,928</u>
Bank deposit on hand at 31 March 2022	<u>396,950</u>	<u>466,072</u>

16 Deferred income

Deferred income comprises:

	2022 £	2021 £
Balance at the beginning of the year	93,194	91,953
Amount released to income in the year	(93,194)	(48,926)
Amount deferred in the year	2,500	50,167
Balance at the end of the year	<u>2,500</u>	<u>93,194</u>
Income deferred to 2022-23		
Village Hall Advisors training event November 2021	-	6,000
Tradestands income received for Village Hall training event November 2021	-	500
Village Hall Improvement grant management year 2	-	36,694
Big Lottery Digital	-	50,000
Corporate Sponsorship to June 2022	<u>2,500</u>	<u>-</u>
	<u>2,500</u>	<u>93,194</u>

17a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	367	-	-	367
Mixed motive investments	-	3,000	-	3,000
Net current assets	453,083	19,000	370,703	842,786
Net assets at 31 March 2022	<u>453,450</u>	<u>22,000</u>	<u>370,703</u>	<u>846,153</u>

17b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	1,398	-	-	1,398
Mixed motive investments	-	3,000	-	3,000
Net current assets	375,260	54,000	1,241,949	1,671,209
Net assets at 31 March 2021	<u>376,658</u>	<u>57,000</u>	<u>1,241,949</u>	<u>1,675,607</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2022

18a Movements in funds (current year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
Tudor Trust	-	5,000	-	-	5,000
LACE UP (Sport England)	7,586	-	(7,586)	-	-
Big Lottery Safeguarding grant	(34)	49,968	(45,973)	-	3,961
Defra rural communities support	122	1,633,000	(1,633,000)	-	122
Defra Village Hall survey post CV-19 Hallmaster	8,400	-	(8,400)	-	-
National Parks Residents Association	-	270	(270)	-	-
Village Hall Improvement Grants	2,787	-	-	-	2,787
Big Lottery Digital Infrastructure	1,216,492	77	(868,357)	-	348,212
National Village Halls transfer	-	50,000	(49,525)	-	475
Digital Discovery (CAST)	471	-	-	-	471
Rural Coalition	-	5,000	(5,000)	-	-
	6,125	3,600	(50)	-	9,675
Total restricted funds	1,241,949	1,746,915	(2,618,161)	-	370,703
Unrestricted funds:					
Designated funds:					
ACRE Network Service Review Delivery	4,000	-	-	-	4,000
Supporting ACRE Network members	20,000	-	(5,000)	-	15,000
LLP Consultancy (Cirican)	33,000	-	-	(30,000)	3,000
Total designated funds	57,000	-	(5,000)	(30,000)	22,000
General funds	376,658	337,278	(290,486)	30,000	453,450
Total unrestricted funds	433,658	337,278	(295,486)	-	475,450
Total funds	1,675,607	2,084,193	(2,913,647)	-	846,153

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2022

18b Movements in funds (prior year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
Carnegie	-	10,000	(12,111)	2,111	-
LACE UP (Sport England)	7,586	-	-	-	7,586
Big Lottery CV-19 grant	-	69,500	(73,954)	4,454	-
Big Lottery Safeguarding grant	11,251	41,916	(53,201)	-	(34)
Defra rural communities support	122	1,633,000	(1,633,000)	-	122
Defra Village Hall survey post CV-19	-	15,000	(6,600)	-	8,400
Hallmaster	-	310	(310)	-	-
National Parks Residents Association	2,787	-	-	-	2,787
Village Hall Improvement Grants	2,432,280	421	(1,216,209)	-	1,216,492
Power to Change Village Hall Survey	(22,764)	13,435	(12,112)	21,441	-
National Village Halls transfer	471	-	-	-	471
Centre for Discovery	-	5,000	(5,000)	-	-
Rural Coalition	7,981	3,600	(5,456)	-	6,125
Total restricted funds	2,439,714	1,792,182	(3,017,953)	28,006	1,241,949
Unrestricted funds:					
Designated funds:					
ACRE Network Development Fund	22,063	-	-	(22,063)	-
ACRE Network Service Review Delivery	50,000	-	(2,000)	(44,000)	4,000
Supporting ACRE Network members	20,000	-	-	-	20,000
LLP Consultancy (Cirican)	27,000	6,000	-	-	33,000
Total designated funds	119,063	6,000	(2,000)	(66,063)	57,000
General funds	332,969	321,454	(315,822)	38,057	376,658
Total unrestricted funds	452,032	327,454	(317,822)	(28,006)	433,658
Total funds	2,891,746	2,119,636	(3,335,775)	-	1,675,607

Movements in funds (narrative)

Purposes of restricted funds

Tudor Trust

ACRE received the initial 50% of the year long grant for the purpose of reviewing the purpose of the Village Hall services provided throughout the ACRE Network and identify areas for expansion.

LACE UP (Sport England)

The underspend on the LACE UP project was utilised to support ACRE's information provision to the village halls and community halls during COVID-19. This included working nationally with sport organisations such as Short Mat Bowls Association to ensure uniformity of advice.

Big Lottery Safeguarding grant

The National Lottery Community Fund provided funds for a project that will promote good safeguarding practice to village and community halls throughout England. ACRE used the 38 ACRE members' contacts and reach into rural communities to signpost and share resources. Advice and examples of best practice have been shared helping hall committees to better understand their responsibilities, put in place proportionate policies and procedures, and have confidence to deal with safeguarding issues as they arise.

Defra rural communities support

The investment delivers support to the end beneficiaries of the ACRE Network, ensuring that rural communities have the technical support and advice needed to survive and thrive. The grant is distributed through ACRE to its 38 members, full details are available on the ACRE website.

Purposes of restricted funds (continued)

Defra Village Hall Survey

Defra provided £15,000 for ACRE to commission Sheffield Hallam University to survey the 2,000 village halls that had responded to the 2020 National Village & Community Halls Survey to ascertain their situation a year on from being in lockdown due to COVID-19.

Hallmaster

Hallmaster Limited is a software provider for booking halls. ACRE members receive a small amount of commission for each software package sold in their county. The commissions are distributed through ACRE at the end of each year.

National Parks Residents Association (ANPAC)

ACRE holds funds on behalf of the National Parks Residents Association for use only as designated by the Association.

Village Hall Improvement Grants

The Village Hall Improvement Grant Fund was extended until June 2022 to allow build projects time to complete having been delayed due to COVID-19. £2,750,429.47 has been awarded to 124 village halls. Over 88% of the grants awarded have now been drawn down.

Big Lottery Digital Infrastructure

ACRE received a grant from the National Lottery Fund to support ACRE Network members with digital development. Using feedback from colleagues ACRE has delivered two projects; one looking at applications that can be used to deliver online events, community engagement and consultation, the other has reviewed the village halls advice and information service to identify possible digital solutions.

National Village Halls transfer

The National Village Halls Forum closed and a decision was taken to pay funds remaining in the bank account to ACRE for hosting and support work undertaken by the new Village and Community Halls Network.

Digital Discovery

ACRE received a grant from CAST which was used to develop an interactive website where ACRE Network members can share details of the digital applications they are using.

Rural Coalition

ACRE undertakes the secretariat for the Rural Coalition. The funds from the membership were distributed as agreed by members during 2021-22 and the remainder carried forward for activity planned in 22-23.

Purpose of designated funds

ACRE Network Service Review Delivery

The ACRE Board designated funds to support the research review and modernisation of its services.

Supporting ACRE Network members

The ACRE Board designated funds to support the strategic review of ACRE member services in order to identify the best and most sustainable way of safeguarding such services for end beneficiaries in the future.

LLP Consultancy (Cirican)

The ACRE Board designated funds to underpin 'Cirican', the ACRE Network Consultancy vehicle, established to capitalise on members' extensive experience and understanding of rural issues, and to generate an income stream to advance ACRE's charitable aim of supporting rural communities. These designated funds were released in February 2022 as the board considered that the designation was no longer required, except for the amount held within the mixed motive investment.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2022

19 Government grants

The charitable company received government grants during the year, defined as funding from the Department for Environment, Food & Rural Affairs (DEFRA), and the National Lottery Community Fund to fund charitable activities. The total value of these grants is shown below. There were no unfulfilled conditions or contingencies attaching to these grants in the current or prior year.

	Restricted £	Unrestricted £	2022 Total £	Restated 2021 Total £
Defra support to rural communities	1,633,000	79,000	1,712,000	1,712,000
Village Hall improvement grant (DEFRA)	-	36,694	36,694	48,926
National Lottery Community Fund	-	99,968	99,968	109,998
Total	1,633,000	215,662	1,848,662	1,870,924

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

	2022 £	2021 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(829,454)	(1,216,136)
Depreciation charges	1,031	1,163
Dividends, interest and rent from investments	(60)	(111)
(Increase)/decrease in debtors	(48,728)	55,747
(Increase)/decrease in loan fund cash	69,122	(57,796)
Increase/(decrease) in creditors	(79,839)	(24,297)
Net cash provided by / (used in) operating activities	(887,929)	(1,241,430)

21 Analysis of cash and cash equivalents

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	577,790	(62,570)	515,220
Account for village hall improvement grant scheme	1,216,492	(825,299)	391,193
Total cash and cash equivalents	1,794,282	(887,869)	906,413

22 Operating lease commitments

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

	Property		Equipment	
	2022 £	2021 £	2022 £	2021 £
Less than one year	8,327	3,940	1,505	1,156
One to five years	4,163	-	3,037	-
	12,490	3,940	4,542	1,156

23 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.

24 Related party transactions

Related party transactions made with trustees are detailed in note 8. Related party transactions in the form of grants paid to members are detailed in note 10. Cirican LLP is a commercial research partnership of which ACRE is a member. ACRE invested £3,000 in the partnership in 2021. There were no balances outstanding at year end.

25 Contingent liability

The charity has offered a number of grants to village halls at 31 March 2022 which have not yet been drawn down. These grants are considered probable but have not been recognised in the accounts as it has not been possible to accurately measure their value as these are dependent on the level of funds raised by the village halls at draw down. However, the total value of grants offered but not yet drawn down is estimated to be approximately £308,000.

ACTION WITH COMMUNITIES IN RURAL ENGLAND (ACRE)

England & Wales - Charity number 1061568

Accounts

Company number: 3336101
Charity number: 1061568

Action with Communities in Rural England
Report and Financial Statements
31 March 2021

Action with Communities in Rural England

Reference and administrative details

For the year ended 31 March 2021

Status	The organisation is a charitable company limited by guarantee, incorporated on 19 March 1997 and registered as a charity on 26 March 1997.	
Governing document	The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.	
Company number	3336101	
Charity number	1061568	
Registered office and operational address	Corinium Suite, Unit 9 Cirencester Office Park Tetbury Road, Cirencester Gloucestershire GL7 6JJ	
Honorary officers	David Emerson CBE Janet Thornton Dominic Driver	Chair Vice Chair Vice Chair
Executive Director	Richard Quallington	
Company Secretary	Richard Quallington	
Bankers	Lloyds plc 14 Castle Street Cirencester Gloucestershire GL 7 1QJ	
Solicitors	Stone King LLP 13 Queen Square Bath BA1 2HJ	
Auditors	Godfrey Wilson Limited Chartered accountants and statutory auditors 5 th Floor, Mariner House 62 Prince Street Bristol BS1 4QD	

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2021

The directors present their report and the audited financial statements for the year ended 31 March 2021.

Introduction

The 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 and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Mission, objectives and activities

ACRE's objects are *to promote any charitable purpose to improve the conditions of life of people and communities in rural areas in England and Wales*. More specifically ACRE's mission is *to work with its 38 members and other key stakeholders to evidence and address need, to inform and to influence at a national level, speaking up as the voice of rural communities across England*. ACRE's beneficiaries are at the heart of all its work specifically; *all people living in rural areas of England, but especially those who are at risk of isolation and disadvantage and for whom rurality brings additional challenge and cost to their daily lives*.

ACRE reviews its strategic priorities, aims and objectives on a regular basis as part of the business planning cycle. In light of the Covid pandemic the business plan was rolled forward for a further year, reflecting the priorities, outcomes and ambitions for ACRE based upon previous feedback from stakeholders and an in depth analysis of need and the organisation's wider operating environment. The review of the business plan and the member and stakeholder engagement exercise commenced towards the end of the financial year and will shape the organisations future strategy and delivery for the latter part of 2021 and beyond.

Vision

ACRE's vision is *'Rural Communities that are thriving, inclusive, economically active and which have the services needed to ensure equity for all residents'*. This vision is underpinned by behaviours which support the following values:-

- Responsive – responding and listening to the needs of members and beneficiaries;
- Innovative – testing and developing new approaches;
- Collaborative – working with others to achieve results for our members and beneficiaries;
- Empowering – enabling members and rural communities to take action;
- Solution focused – achieving results that make a difference.

Objectives

ACRE's core objective is to promote a healthy, informed, vibrant and sustainable rural community sector that is well equipped to address local need whilst being able also to influence and benefit from, policies and initiatives at national, sub-national and local level. Specifically as the 39th member of the ACRE Network, ACRE's main purpose is to:-

- Gather evidence and conduct research to improve the outcomes for rural communities;
- Articulate a voice for rural communities at the national level;
- Influence decisions that impact on rural communities;
- Deliver programmes and engage in activities which directly improve the lives of ACRE's end beneficiaries and which increase the resilience of rural communities.

As the England-wide arm of The ACRE Network, ACRE also provides support for its member organisations to build their capacity in serving and responding to the needs of rural communities.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2021

Activities

ACRE's day to day activities during the year were focused on eight specific strands of work namely:-

1. Research and intelligence;
2. Voice and influencing;
3. Collaborating with key partners;
4. Programme development and delivery;
5. Supporting the ambitions of ACRE Network members;
6. Developing Digital Solutions;
7. Marketing and Communications;
8. Governance, leadership and management of ACRE.

How our activities deliver public benefit

ACRE's charitable activities are to alleviate disadvantage in rural communities throughout England through its activities and achievements a sample of which are set out below.

Achievements and performance

During 2020-21, ACRE continued to develop its strategy for advocacy on behalf of its end beneficiaries in three major directions:

- Securing ongoing recognition of the value delivered by the ACRE Investment agreement with the Department for Environment, Food and Rural Affairs (Defra) by ensuring effective delivery and by highlighting impact;
 - Positioning ACRE members as primary agents of change in rural communities in the implementation of localism and other Government policies;
 - Capitalising on the ACRE Network's reach into rural communities and its expertise in ensuring rural communities and particularly those most disadvantaged by rurality benefit from national policy initiatives.
1. In addition to overseeing the delivery of the **ACRE Network Agreement with Defra** which enables ACRE's 38 members to focus practical support on rural communities across rural England, ACRE worked hard to secure a roll-over of the funded arrangement for a further year pending the outcome of the next comprehensive spending review by Government. A continuation at the same level of funding was agreed at the end of the financial year thus enabling ACRE members to support end beneficiaries and rural communities for a further year.
 2. ACRE continued to improve the **monitoring and evidence** gathering that supports and underpins the ACRE Network Agreement with Defra. With enhanced reporting, the continuing development of a bank of case studies and examples of best practice to evidence impact, ACRE has been able to demonstrate more clearly to Defra the value of the Agreement. Throughout the year, and especially in light of the impact of the pandemic on rural communities, ACRE has continued to develop closer links with the Defra team to ensure that grass roots intelligence from the ACRE Network is used to inform decision making within Defra and other Government departments.
 3. ACRE administers the **Rural Community Buildings Loan Fund** of £700,000 on behalf of Defra, which provides financial support to village hall management committees to improve facilities for their communities. During 2020/21, 39 loans were live during the year, 7 new loans were offered totalling £148,185 and 2 paid out to a value of £31,000. The total value of the loans outstanding at the end of the year was £233,928.
 4. ACRE's **Village Hall Information and Advice Service** provided support for ACRE members during the year. The support service was dominated by the demand for advice and information for halls under COVID-19 Regulations.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2021

ACRE supported the ACRE Network Advisers through their online platform, website and Zoom meetings. The agreement with Bates Wells Solicitors has provided legal support for halls at reduced cost.

5. The **Village Hall Improvement Grant Fund** was extended until the end of December 2021 to cater for the delays to projects caused by the successive pandemic lock downs. In total the Fund has awarded 123 grants totalling £2,785,502. Over half of the grants awarded have now been drawn down.
6. In pursuance of its role of **speaking up for rural communities**, ACRE continued its engagement in a wide range of national advisory and steering groups including: The Rural Housing Network; Post Office Advisory Group; End Fuel Poverty Coalition; Rural England CIC and MHCLG's (Ministry of Housing, Communities and Local Government) Communities Partnership Board.
7. From mid-March 2020, and throughout the year, the outbreak of **coronavirus**, and arrangements put in place by Government to limit its impact, started to dominate our action to advocate for rural communities. There were effectively three phases to this:-
 - a) From March to May 2020 we sought to work with our members and DEFRA to anticipate the impact on rural communities of the pandemic and any nuance needed for rural people in what were, otherwise, national emergency measures.
 - b) From June the focus shifted to advising and supporting rural communities on how to respond to frequent, and often hard to understand, changes to regulations and guidance, especially in relation to Village Halls.
 - c) From October until the end of the year the focus shifted again to ensuring that Government policy towards the pandemic, especially if it were to persist through another winter, was mindful of the impact on rural communities of cycles of lockdown/release over an extended period. Our main actions included:-
 - Daily **monitoring of formal Government Guidance** concerning release from the lockdown that may have an impact on rural communities and especially on our information and advice to Village Halls. At crucial times a weekly update was provided to Network CEOs and a more specific and detailed one to Village Hall advisers. Changes to Village Hall Information sheets frequently had to be made on a weekly basis;
 - Representation of rural community concerns through a weekly **Rural Impact Stakeholder Forum** with DEFRA. We raised issues concerning Village Halls, village play areas, impacts on wider civil society, over-reliance of rural areas on the dual economic pillars of agriculture and tourism and initial lack of connectivity between the Government's 'Test, Trace and Isolate' policy with local, rural intelligence and public health;
 - We wrote to the DHSC in April 2020 over urban / rural differentiation in transmission rates and followed this up with a second letter concerning **differentiation in release of lockdown measures**. Both of these, in hindsight, looked surprisingly prophetic when the regional 'tiers' system was introduced in the Autumn;
 - We submitted written evidence to the Digital, Culture, Media and Sport Select Committee on **Connectivity and 5G** including lessons learned from coronavirus over the future role of connectivity in economic and social regeneration in rural areas;
 - We created a dedicated section on **ACRE website** about Covid, listing policy responses and briefings, information and advice for community groups and inspiring stories where communities have shown resilience to the pandemic.
8. This enhanced support, information and advice for **rural communities** demanded increased capacity which was made possible with six months financial support from the **National Lottery Community Fund**. Demand for ACRE's support services doubled during the pandemic.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2021

9. The pandemic prompted new collaborative forums between voluntary sector agencies working at a national and local level to provide support to civil society's response. We prepared a policy paper on **rural civil society** for these forums and provided a specific edited version of this to Danny Kruger MP for his report on support for civil society commissioned by the Prime Minister.
10. The pandemic prompted **The ACRE Network** to review its future policy for supporting and regenerating rural communities through lessons learned. In May the annual **ACRE Network Chief Executive** event went online and started with a focus on four areas where the crisis seemed to be making people think anew about rural areas and rural communities:
 - Food security in rural communities, especially in the light of future environmental land management programmes;
 - Digital transformation of working practices and the threats and opportunities these could bring to rural areas;
 - Approaches to restoring local economies that arise from people spending more time at home and re-discovering their local area;
 - Finding the synergies between these to create a new renaissance in rural communities following CV-19.
11. This provided the starting point for an **ACRE 'manifesto'** for rural communities; subsequently endorsed by the whole ACRE Network. This manifesto fed into our contribution to the Rural Coalition's proposals to Government, its submission to the **Comprehensive Spending Review (CSR)** and our discussions with DEFRA about their asks of the Treasury for the CSR.
12. During the year we continued to **highlight rural housing issues**, collecting data and evidence on the delivery of rural affordable housing sharing this with stakeholders. ACRE continued to advance the cause of rural affordable housing by providing technical support to members on rural affordable housing and planning. We supported our members and **Rural Housing Enablers** by providing them with information and training. Areas of activity included:-
 - Building the evidence base for rural affordable housing through surveying Rural Affordable Housing delivery;
 - Regular liaison with Defra and Homes England on rural housing issues;
 - Responding to government consultations on the changes to the planning system and permitted development rights.
13. In particular we responded in detail to the **Planning White Paper**. The specific issues that we highlighted in our response included:-
 - The three proposed categories or 'zones': Growth, Renewal and Protected. We have deep concerns about how these might become used in rural areas;
 - The democratic loss that could result from front ending all consultation on local plans and moving to a 'digitally heavy' process;
 - The reduced scope for the proposed changes to the Infrastructure Levy to deliver affordable homes in rural areas;
 - Potential downgrading of Neighbourhood Plans to little more than local design statements.
14. At the close of the year the **Annual Rural Proofing Report** was published by Government. We worked with members of the **Rural Coalition** over a critique of the Report designed to pave the way for a more comprehensive 2nd annual report at the end of 2021.
15. ACRE continued to strengthen its links with rural organisations based elsewhere in Europe. The online **UK and Ireland Rural Network** has been formed to continue the relationships between the five Countries. ACRE endorsed two appointments to the Board of the **European Rural Communities Alliance**.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2021

16. ACRE was an active participant on the **Arts Council Stakeholder Group** and the **Flood and Coastal Erosion Risk Management Stakeholder Group** as well as having a place on the Plunkett Foundation's **Community Business in Places of Worship Alliance**.
17. Throughout the year ACRE prioritised the needs of its 38 members by providing **support, guidance and advice** and the secretariat for the **ACRE Network Development Group**, established to oversee collective change and development within the ACRE Network. With increased on-line working during the year we further developed the use of the digital platform **Basecamp** to support collaboration across the Network and established a regular fortnightly meeting of **ACRE Network Chief Executives** to improve communication and to promote mutual support.
18. In January 2021, ACRE delivered the fourth national **#VillageHallsWeek** on the theme of **village halls are survivors**; the campaign was delivered online. On twitter and facebook we shared facts and information about village halls, blogs, recorded speeches and a podcast which were seen by an estimated 28k people and gained the organisation a 142 new followers. We also delivered three online events which attracted 507 registrations and generated £6k in sponsorship.
19. During #VillageHalls Week we launched an online **Domesday Book** for hall committees to record the work they are doing, and their hopes for the future, as we celebrated 100 years of rural community action. By the end of March 2021, the website had attracted over 700 entries. As such it is a valuable record of the contribution village halls make to rural community life which can also be used to raise profile and for influencing purposes.
20. In October 2020, ACRE delivered an online event attended by over 50 stakeholders summarising the results of the **2020 Village Halls Survey**. The survey was completed by 2,109 halls and provided an up-to-date view of the health of halls nationally. Publicity celebrated the social and economic contribution halls make to rural communities.
21. In August 2020, we conducted a **comprehensive survey of members** capturing information about the services they provide, their financial challenges, the local outcomes of their work and the impact of Covid. The survey provides insight into the commonalities between ACRE Network members and where there are material differences driven by local circumstances. Our intention is to repeat the survey each year to provide top-level tracking data on the health and the impact our members are having on rural communities.
22. This year members continued to deliver the National Lottery Community Fund **safeguarding project** aimed at ensuring every village and community hall across rural England has the knowledge and confidence to provide a safe environment for all. It aspires to improve the awareness of safeguarding, extend the reach of resources, provide an insight into impact and embed good practice. Due to the Covid restrictions activity and advice had to be provided online with our members updating information on policies and procedures and delivering advice and training via online sessions. We ran a successful **Village Hall safeguarding Week in November**, with our members providing online sessions backed by a social media campaign.
23. During the year we engaged with **Radioactive Waste Management (RWM)** in our role as a key rural stakeholder to discuss their plans for the siting of a geological disposal facility. This led us to partnering with a commercial partner 'Ecorys' and our members to deliver Community Investment Funding. RWM subsequently decided to take a different approach but the exercise proved invaluable in developing an ACRE Network approach to potentially challenging and contentious issues.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2021

24. During the year, ACRE secured funding and support to consider and develop the **ACRE Network's digital infrastructure**. Resources enabled three months engagement with members which helped to identify shared digital needs and challenges. At the end of the year ACRE was also informed that it had been successful in our application to the **New Infrastructure Fund** provided by the **National Lottery Community Fund** which will enable us to act on this insight and develop **specific digital solutions** with the support of a 'Design Lab' between 2021-2022. The focus of this work is to improve ACRE Network services and support to rural communities.

As the previous overview highlights, 2020-21 has been shaped by the ramifications of Covid pandemic as ACRE has adapted its delivery to remote and on-line digital working. Despite these challenges it has been a year of opportunities and some notable successes. Working with the challenges of limited staff capacity, a growing portfolio of activities and greatly increased demand for ACRE's services has tested and also confirmed the resilience, creativity and flexibility of the highly motivated staff team and specialist associates. They have embraced new ways of working and, despite the challenges have achieved an extensive range of laudable outcomes.

Whilst ACRE benefited from emergency funding support from the National Lottery Community Fund during the year, it continued to feel the impact of central Government financial constraints and a reduction in sponsorship income due to the pandemic. This continues to set a very challenging and uncertain operating environment in England for infrastructure charities such as ACRE.

Despite this uncertainty, engagement with Government has continued to grow and the future of the Defra agreement longer term, whilst not guaranteed, looks positive. This enables both ACRE and its members to continue to plan both for the future of support to rural communities, and internal transformational change to ensure that the services and support available are more sustainable longer term beyond the current challenges occasioned by the coronavirus pandemic.

Financial review

Basis of preparation

- The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities.
- Incoming resources are recognised once the charity has entitlement to the resources, it is certain the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability.
- Resources expended – liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.
- Grants payable are payments made to third parties in furtherance of the charitable objectives of the charity.

The directors report a net reduction in resources of £1,216,139 (31 March 2020 a net gain of £2,435,275). The closing fund balances at the 31 March 2021 were £1,675,607.

The statement of financial activities (SOFA) shows that the total incoming resources for the year were £2,119,636 compared with £4,947,414 for the previous year. This substantial reduction of incoming resources on the previous year is accounted for by the receipt of the Village Hall Improvement Grant during the year end 31 March 2020; a restricted fund for onward grant payments to village halls during the financial year 2021-22.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2021

During the year ACRE received £1,792,182 restricted income and £327,454 unrestricted income. A list of the restricted funds is included in note 18a. All incoming resources for the year have been secured specifically to advance the charity's strategic objectives.

Reserves policy

The directors consider that the level of unrestricted reserves should be sufficient to allow time for reorganisation in the event of a downturn in income, protect ongoing work programmes and allow ACRE to meet its legal requirements. The target level for unrestricted reserves is the equivalent of three months of the charity's general expenditure budget plus an allocation to allow for longer term liabilities and contingencies and an additional element to support ACRE's research and development objectives and the transformational change. Directors confirm that ACRE is in compliance with the agreed reserves policy.

The directors can also designate other unrestricted funds to ensure that ACRE can continue to operate effectively, meeting its anticipated liabilities and the development needs of the wider ACRE Network as it continues to focus on enhancing outcomes for end beneficiaries.

At 31 March 2021, the total reserves were:	£1,675,607
Restricted funds:	£1,241,949
Designated funds:	£57,000
General funds:	£376,658

Principal funding sources

The majority of ACRE's funding for 2020-21 came from 'a grant in aid' agreement from Defra; over 95% of which was directly allocated to local organisations to deliver work at a county level. The main other source of income was derived from membership fees paid by the ACRE members. This funding was used to support ACRE's key themes of activity:

Plans for future periods

Key objectives for 2021-22

During 2021, ACRE will continue to assess the impact that government policy, in the light of coronavirus and a reopening of society, might have on its end beneficiaries in rural communities and how its own role in relation to supporting the work of members might need to evolve and change as a result, in order to maximise the sustainability of services into the longer term. ACRE will complete a review of its business plan through consultation with members and stakeholders and will bring forward a new plan to take the organisations forward beyond 2021. In delivering the business plan objectives ACRE's role will continue to be focused on *'all people living in rural areas of England but especially those who are at risk of isolation and disadvantage and for whom rurality brings an additional challenge and cost to their daily lives'*. ACRE anticipates that, subject to confirmation or amendment through the consultation process, its work will continue to be driven by the following strategic priorities:-

- Improve service delivery and to ensure the sustainability of existing and new products and services;
- Strengthen and broaden key relationships at the national level and diversify income streams;
- Maximise and facilitate the strategic use of the ACRE Network information and intelligence;
- Support and progress ACRE Network ambitions providing transparency in terms of ACRE's contribution.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2021

Funds held as custodians

Defra investment in the ACRE Network

A further year of investment to enable the ACRE Network to deliver support to rural communities within the key Defra priority themes was secured. The investment in support of rural communities through the Network amounted to £1,633,000 during the year. ACRE, as the national umbrella body of The Network, was the accountable body for these funds.

ANPAC

ACRE has held funds on behalf of the National Parks Residents Association (ANPAC) for use only as designated by them. The Association did not draw down from this fund during 2020-21.

Rural Communities Buildings Loan Fund

ACRE administers the Rural Communities Buildings Loan Fund on behalf of Defra. This fund previously known as the Village Hall Loan Fund has been in existence since the 1930s.

Rural Coalition

ACRE undertakes the secretariat for the Rural Coalition. The funds from the Rural Coalition membership were distributed as agreed by members during 2020-21 and the remnants carried forward to activity planned for 2021-22.

Village Hall Improvement Grant

ACRE administers the Village Hall Improvement Grant fund on behalf of Defra. It is anticipated that this fund will be fully utilized during 2021-22.

Structure, governance and management

Organisational structure

Action with Communities in Rural England (ACRE) is a company limited by guarantee (number 3336101) with a Board of Directors elected at general meetings by its 38 members, and in accordance with the Articles of Association adopted on 18 June 2014 and amended on 29 November 2016 and 27 November 2018.

Governance

The Board of Directors is responsible for the governance and the management of ACRE. The ACRE Board consists of not less than six but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum. The chair is elected at the AGM by the members.

All directors have an induction into the organisation and receive a Director Induction Pack. No person may normally serve as a director for more than seven consecutive years. They may then be re-elected after an interval of at least one year. Due to the exceptional circumstances occasioned by Covid, all Director terms of office were extended by a year; an extension that was endorsed by all ACRE members.

During the year all directors gave of their time voluntarily and received no benefits from the charity. Any expenses reclaimed from the charity and any instances where directors have received benefit from the charity for specific services, as permitted under clauses 4 (2) and 4 (3), are set out in note 8 to the accounts.

Management

The staffing structure at ACRE has focused on retaining capacity to support the operational and leadership requirements of the organisation; a flatter more empowering management structure remains in place as is appropriate for a small

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2021

staff team. The Executive Director retains responsibility for operational decisions and for delivering the organisation's strategic objectives. There are currently no plans to expand the team appreciably in the foreseeable future.

Risk management

The directors are committed to a regular review of the major strategic, business and operational risks which ACRE faces, with a view to ensuring that appropriate systems and procedures are in place to minimise these risks. In particular the risk of government reducing or ceasing its funded relationship with the ACRE Network is considered carefully by the ACRE board on a regular basis during the year and mitigating actions including; identifying and exploring alternative sources of funding and developing new partnership arrangements with key stakeholders; the establishment and development of Cirican (the ACRE Network's consultancy arm) have been investigated and continue to be pursued as part of the organisation's ongoing plans. This and other risks to the fulfilment of ACRE's strategic priorities are kept under constant review by the directors via the risk register which is reviewed periodically.

The COVID-19 pandemic struck at the close of the previous financial year; the impact of which has been a matter of constant review by trustees throughout the year. In particular trustees considered the possible effect that the pandemic might have on ACRE's financial position whilst also recognising the organisation's need to maintain existing capacity in order to continue its charitable work which was needed more than ever. As a national charity providing support to its 38 county members who, in turn, provide ongoing and intense support to rural communities it has not been possible to furlough staff as demand for support, information and advice has risen exponentially since the start of the pandemic. Trustees recognise that there has been some negative financial impact on the organisation during the year. However the confirmed ongoing grant funding from Defra and other funders, including the National Lottery Community Fund, combined with the current healthy level of unrestricted reserves provides a reasonable level of confidence and reassurance that the current financial challenges will have a limited and manageable impact on the organisation's longer term financial position.

Register of interests

All Board members complete an annual declaration of interests in compliance with the Conflict of Interest Policy. This is updated as required during the year. Board members are required to declare any related interest in decisions at the start of all Board meetings, or thereafter if relevant topics arise.

Related parties and connected organisations

ACRE receives membership subscriptions from its 38 member Rural Community Councils. In addition, ACRE works with members on joint initiatives. During 2020-21 a total of £1,633,000 was committed to members through the Defra/ACRE Investment Programme.

Whilst some of the directors elected are also directors or chief executives of ACRE Network members, within an ACRE context they have no influence over business transactions between members and ACRE.

Remuneration Policy

ACRE recognises that the delivery of its mission and strategic priorities is largely dependent upon the skills, knowledge and experience of its staff. It is therefore committed to ensuring that the staff are provided with appropriate remuneration to encourage and enhance performance and, in a fair and responsible manner, are rewarded for their contributions to the success of the charity. The salaries of ACRE staff are reviewed on an annual basis in the light of inflationary pressures. Directors consider this information alongside the affordability for ACRE to inform and adjust salaries and remuneration accordingly.

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2021

Where appropriate, ACRE employs freelance contractors to undertake specific activities for the organisation. These include research, marketing, finance, governance support, relationship management and leadership. Directors ensure that whilst the associated remuneration is sufficient to attract individuals with the skills, experience and competencies required rewards are also benchmarked against sector averages for similar activity and levels of responsibility.

Grant-making policy

ACRE administers grants on behalf of other charitable trusts and government organisations that further the charity's objectives. The grant-making processes are agreed with the funders from the outset. Grants are paid on respective merits and follow transparent and rational processes.

ACRE's unrestricted funds are not used for grant-making purposes, unless by resolution by the directors. Arrangements are in place to segregate grant-making decisions ensuring conflicts of interests are avoided in the governance of ACRE.

Fund raising policy

ACRE does not engage in any direct fundraising from members of the public and does not employ fundraisers. However the directors are aware of the fundraising requirements and the code of fundraising practice and ensure that the charity is compliant with the code in all its fund raising activities.

ACRE members at 31 March 2021

Action with Communities in Cumbria	Connecting Communities in Berkshire
Action with Communities in Rural Kent	Cornwall Rural Community Charity
Action Hampshire	Devon Communities Together
Action in rural Sussex	Dorset Community Action
Bedfordshire Rural Communities Charity	Durham Community Action
Cambridgeshire ACRE	GRCC Community Action in Gloucestershire
Cheshire Community Action	Humber & Wolds Rural Action
Community Action Isle of Wight	Northamptonshire ACRE
Community Action Norfolk	Rural Community Action Nottinghamshire
Community Action Northumberland	Rural Action Derbyshire
Community Action Suffolk	Rural Community Council of Essex
Community Council for Somerset	Rural Community Council (Leicestershire & Rutland)
Community Development Action Hertfordshire	Shropshire Rural Community Council
Community First in Herefordshire and Worcestershire	Support Staffordshire
Community First Oxfordshire	Surrey Community Action
Community First, Wiltshire	Tees Valley Rural Action
Community First Yorkshire	Warwickshire Rural Community Council
Community Futures, Lancashire	West of England Rural Network
Community Impact Bucks	YMCA Lincolnshire (incorporating Community Lincs)

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2021

Statement of Directors' responsibilities

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

Company law requires the directors 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 these financial statements, the directors 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the directors are aware:

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

The directors 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 Directors

Directors, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Ivan Annibal	Elected November 2017	
Louise Beaton	Elected November 2017	
Charles Coates	Elected November 2017	
Elaine Cook	Elected November 2018	
Nigel Curry	Elected November 2018	
Sue Dovey	Elected November 2018	
Dominic Driver	Elected November 2016	(Vice Chair)
David Emerson CBE	Elected November 2014	(Chair)

Action with Communities in Rural England

Report of the directors

For the year ended 31 March 2021

Doff Pollard	Elected November 2015	
Mark Shucksmith OBE	Elected November 2014	
Janet Thornton	Appointed November 2018	(Vice Chair)
Jim Webster	Appointed November 2018	

Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 31 March 2021 was 38 (2020 - 38). The Directors have no beneficial interest in the charitable company.

Auditors

Following a market testing exercise in 2017 Godfrey Wilson Ltd was appointed as the charitable company's auditors.

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

Approved by the Directors on 8th July 2021 and signed on their behalf by

David Emerson

David Emerson – Chair

Independent auditors' report

To the members of

Action with Communities in Rural England

Opinion

We have audited the financial statements of Action with Communities in Rural England (the 'charity') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Independent auditors' report

To the members of

Action with Communities in Rural England

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement set out in the trustees' report, the trustees 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 they 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 procedures we carried out and the extent to which they are capable of detecting irregularities, including fraud, are detailed below:

- (1) We obtained an understanding of the legal and regulatory framework that the charity operates in, and assessed the risk of non-compliance with applicable laws and regulations. Throughout the audit, we remained alert to possible indications of non-compliance.
- (2) We reviewed the charity's policies and procedures in relation 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 risk of fraud, and whether they were aware of any actual, suspected or alleged fraud; and
 - Designing and implementing internal controls to mitigate the risk of non-compliance with laws and regulations, including fraud.
- (3) We inspected the minutes of trustee meetings.
- (4) We enquired about any non-routine communication with regulators and reviewed any reports made to them.
- (5) We reviewed the financial statement disclosures and assessed their compliance with applicable laws and regulations.
- (6) We performed analytical procedures to identify any unusual or unexpected transactions or balances that may indicate a risk of material fraud or error.

Independent auditors' report

To the members of

Action with Communities in Rural England

(7) We assessed the risk of fraud through management override of controls and carried out procedures to address this risk. Our procedures included:

- Testing the appropriateness of journal entries;
- Assessing judgements and accounting estimates for potential bias;
- Reviewing related party transactions; and
- Testing transactions that are unusual or outside the normal course of business.

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. Irregularities that arise due to fraud can be even harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

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

Alison Godfrey

Date: 12 July 2021

Alison Godfrey FCA
(Senior Statutory Auditor)

For and on behalf of:

GODFREY WILSON LIMITED

Chartered accountants and statutory auditors

5th Floor Mariner House

62 Prince Street

Bristol

BS1 4QD

Action with Communities in Rural England

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

For the year ended 31 March 2021

		Unrestricted	Restricted	2021 Total	Unrestricted	Restricted	2020 Total
	Note	£	£	£	£	£	£
Income from:							
Donations and legacies	2	2,800	-	2,800	38,840	-	38,840
Charitable activities							
Charitable activities	3	323,926	1,792,182	2,116,108	413,334	4,491,727	4,905,061
Services and sales	3	617	-	617	2,996	-	2,996
Investments	4	111	-	111	517	-	517
Total income		327,454	1,792,182	2,119,636	455,687	4,491,727	4,947,414
Expenditure on:							
Raising funds	5	16,237	-	16,237	8,836	-	8,836
Charitable activities							
Charitable activities	5	299,933	3,017,953	3,317,886	424,818	2,076,837	2,501,655
Services and sales	5	1,652	-	1,652	1,647	-	1,647
Total expenditure		317,822	3,017,953	3,335,775	435,301	2,076,837	2,512,138
Net income / (expenditure) for the year	7	9,632	(1,225,771)	(1,216,139)	20,386	2,414,890	2,435,276
Transfers between funds		(28,006)	28,006	-	-	-	-
Net movement in funds		(18,374)	(1,197,765)	(1,216,139)	20,386	2,414,890	2,435,276
Reconciliation of funds:							
Total funds brought forward		452,032	2,439,714	2,891,746	431,646	24,824	456,470
Total funds carried forward		433,658	1,241,949	1,675,607	452,032	2,439,714	2,891,746

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 18 to the financial statements.

Action with Communities in Rural England

Balance sheet as at 31 March 2021

Company no. 3336101

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	12		1,398		1,866
Mixed motive investments	13		3,000		-
			<u>4,398</u>		<u>1,866</u>
Current assets:					
Debtors	14	264,703		320,453	
Cash at bank and in hand		577,790		578,054	
Account for village hall improvement grant scheme		1,216,492		2,461,242	
Account for rural community buildings loan fund		466,072		408,276	
		<u>2,525,057</u>		<u>3,768,025</u>	
Liabilities:					
Creditors: amounts falling due within one year	15	(853,848)		(878,145)	
Net current assets			1,671,209		2,889,880
Total net assets	17		<u>1,675,607</u>		<u>2,891,746</u>
The funds of the charity:					
Restricted income funds	18		1,241,949		2,439,714
Unrestricted income funds:					
Designated funds		57,000		119,063	
General funds		376,658		332,969	
		<u>433,658</u>		<u>452,032</u>	
Total unrestricted funds			433,658		452,032
Total charity funds			<u>1,675,607</u>		<u>2,891,746</u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 8 July 2021 and signed on their behalf by

David Emerson

David Emerson
Chair

Action with Communities in Rural England

Statement of cash flows

For the year ended 31 March 2021

	Note	2021	2020
		£	£
Cash flows from operating activities	20		
Net cash provided by / (used in) operating activities		(1,241,430)	2,548,094
Cash flows from investing activities:			
Dividends, interest and rents from investments		111	517
Purchase of fixed assets		(695)	-
Purchase of investments		(3,000)	-
Net cash provided by / (used in) investing activities		(3,584)	517
Change in cash and cash equivalents in the year		(1,245,014)	2,548,611
Cash and cash equivalents at the beginning of the year		3,039,296	490,685
Cash and cash equivalents at the end of the year	21	1,794,282	3,039,296

1 Accounting policies

a) Statutory information

Action with Communities in Rural England is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is as stated in the Trustees' Annual Report.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

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

c) Public benefit entity

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

d) Going concern

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

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period. The trustees have considered the impact of the COVID-19 pandemic and do not consider that it will cause a material uncertainty related to going concern. The charity has confirmed funding until 31 March 2022 and holds sufficient reserves to continue beyond the next 12 months.

e) Income

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

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

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

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies (continued)

g) Interest receivable

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

h) Fund accounting

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

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

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

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading

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

j) Allocation of support costs

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

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

	2021	2020
● Cost of raising funds	3%	1%
● Charitable activities	96%	98%
● Services and sales	1%	1%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

1 Accounting policies (continued)

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- Fixtures and fittings 3 years straight line basis

m) Mixed motive investments

Mixed motive investments represent the charitable company's partner interest in Cirican LLP, which the trustees consider to have the dual objective of both financial return and furtherance of charitable objects. The investment is carried at fair value through the income and expenditure account. The LLP is an unquoted investment vehicle and a degree of judgement is required in assessing the fair value. At initial recognition the fair value is deemed to be the transaction amount. A review for impairment will be carried out annually.

n) Debtors

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

o) Cash at bank and in hand

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

p) 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.

q) 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

r) Pensions

The charitable company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies (continued)

s) Accounting estimates and key judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Depreciation

As described in note 1(l) to the financial statements, depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life.

2 Income from donations and legacies

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Gifts Allied Westminster	-	-	-	12,500
Gifts The Mrs F B Lawrence Charitable Trust	-	-	-	2,000
Gifts less than £1,500	2,800	-	2,800	24,340
	<u>2,800</u>	<u>-</u>	<u>2,800</u>	<u>38,840</u>

All income received from gifts in the prior period was unrestricted.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2021

3a Income from charitable activities

	Unrestricted	Restricted	2021 Total
	£	£	£
Charitable Activities			
Defra support to rural communities	79,000	1,633,000	1,712,000
VONNE Safeguarding	-	1,418	1,418
Rural communities buildings loan fund	20,000	-	20,000
Defra Village Hall Survey post CV-19	-	15,000	15,000
Big Lottery CV-19	-	69,500	69,500
Utility Aid	2,000	-	2,000
Allied Westminster	2,000	-	2,000
Norris & Fisher	2,000	-	2,000
Centre for Discovery	-	5,000	5,000
Hallmaster	-	310	310
Power 2 Change	-	13,435	13,435
Carnegie	-	10,000	10,000
Big Lottery Safeguarding grant	-	40,498	40,498
Village Hall Improvement Grant (DEFRA)	48,926	-	48,926
Interest from VHIG account	-	421	421
Rural Coalition	-	3,600	3,600
Network Development Group	37,000	-	37,000
Membership	133,000	-	133,000
Sub-total for Charitable Activities	323,926	1,792,182	2,116,108
Sales; publications	617	-	617
Sub-total for other charitable activity	617	-	617
Total income from charitable activities	324,543	1,792,182	2,116,725

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2021

3b Income from charitable activities (prior year)

	Unrestricted £	Restricted £	2020 Total £
Charitable Activities			
Defra support to rural communities	79,000	1,633,000	1,712,000
NCVO Safeguarding phase one	5,300	-	5,300
Rural communities buildings loan fund	20,000	-	20,000
National Touring Rural Arts	100	-	100
Utility Aid	2,000	-	2,000
Allied Westminster	43,993	-	43,993
Scheme to assist Village Halls with improvement work	9,838	-	9,838
Conferences	24,266	-	24,266
Hallmaster	-	300	300
Power 2 Change	-	13,435	13,435
Plunkett Frontline Advisory Group	833	-	833
Big Lottery Safeguarding grant	-	14,484	14,484
Village Hall Improvement Grant (DEFRA)	90,845	2,823,535	2,914,380
Interest from VHIG account	-	973	973
Rural Coalition	-	6,000	6,000
European Rural Parliament	4,159	-	4,159
Membership	133,000	-	133,000
	<hr/>	<hr/>	<hr/>
Sub-total for charitable activities	413,334	4,491,727	4,905,061
Sales; publications	1,020	-	1,020
Staff fees (<i>Yorks media</i>)	1,976	-	1,976
	<hr/>	<hr/>	<hr/>
Total income from charitable activities	416,330	4,491,727	4,908,057
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

4 Income from investments

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Interest received	111	-	111	517
	<hr/>	<hr/>	<hr/>	<hr/>
	111	-	111	517
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

All income received from investments in the prior period was unrestricted.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2021

5 Analysis of expenditure (current year)

	Cost of raising funds £	Charitable activities				Support costs £	2021 Total £
		Charitable activities £	Services and sales £	Governance costs £			
Staff costs (Note 8)	6,409	158,166	956	23,807	38,017	227,355	
Direct costs	5,807	187,764	256	14,058	10,029	217,914	
Defra Grant to ACRE Network	-	1,633,000	-	-	-	1,633,000	
Hallmaster commissions	-	310	-	-	-	310	
Village Hall Improvement Grants	-	1,216,209	-	-	-	1,216,209	
Rural Coalition expenditure	-	5,455	-	-	-	5,455	
Overheads	1,201	28,436	-	1,236	4,658	35,531	
	13,417	3,229,340	1,212	39,101	52,704	3,335,775	
Support costs	1,481	45,484	221	5,518	(52,704)	-	
Governance costs	1,339	43,062	219	(44,620)	-	-	
Total expenditure 2021	16,237	3,317,886	1,652	-	-	3,335,775	

Of the total expenditure, £317,822 was unrestricted (2020: £435,301) and £3,017,953 was restricted (2020: £2,076,837).

5 Analysis of expenditure (prior year)

	Cost of raising funds £	Charitable activities				Support costs £	2020 Total £
		Charitable activities £	Services and sales £	Governance costs £			
Staff costs (Note 8)	5,143	146,434	956	18,623	37,913	209,069	
Direct costs	419	214,655	256	19,530	8,169	243,029	
Defra Grant to ACRE Network	-	1,633,000	-	-	-	1,633,000	
Hallmaster commissions	-	300	-	-	-	300	
Village Hall Improvement Grants	-	392,228	-	-	-	392,228	
Rural Coalition expenditure	-	3,685	-	-	-	3,685	
Overheads	815	27,923	4	469	1,616	30,827	
	6,377	2,418,225	1,216	38,622	47,698	2,512,138	
Support costs	1,173	42,060	215	4,250	(47,698)	-	
Governance costs	1,286	41,369	216	(42,872)	-	-	
Total expenditure 2020	8,836	2,501,655	1,647	-	-	2,512,138	

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2021

6 Grant making to institutions

	2021 £	2020 £
Cost		
Allocation of Defra Grant	1,633,000	1,633,000
Village Hall Improvement Grants	1,180,917	392,228
Power to Change Village Hall Survey	-	22,800
At the end of the year	<u>2,813,917</u>	<u>2,048,028</u>

The grant from DEFRA is distributed through ACRE to its 38 members. Please see note 10 for a full breakdown of grants paid.

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2021 £	2020 £
Depreciation	1,163	1,066
Operating lease rentals:		
Property	23,520	19,600
Other	1,160	1,156
Auditors' remuneration (excluding VAT):		
Audit	4,550	4,400

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

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	118,704	103,000
Social security costs	12,122	10,646
Employer's contribution to defined contribution pension schemes	8,903	7,725
Other staff costs	87,627	87,698
	<u>227,355</u>	<u>209,069</u>

No employee earned more than £60,000 during the year (2020: nil).

There were no employee benefits including pension contributions paid to key management and finance personnel during the year as the individuals concerned were self employed. The key management and finance personnel costs totalled £86,887 (2020: £79,738)

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). Louise Beaton, a charity trustee, received £22,208 for consultancy services and related travel costs were reimbursed (2020 £3,935).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £673 (2020: £7,076) incurred by 12 (2020: 12) members relating to attendance at meetings of the trustees.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2021

9 Staff numbers

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

	2021 No.	2020 No.
Raising funds	0.1	0.1
Charitable activities	3.7	2.8
Governance	0.1	0.1
	<u>3.9</u>	<u>3.0</u>

10 Related party transactions

During the year, there were related party transactions in the form of DEFRA grants made to members.

Details of these grants are as follows:

	2021 £	2020 £
Action Hampshire	44,675	44,675
Action in rural Sussex	47,395	47,395
Action with Communities in Cumbria	49,265	49,265
Action with Communities in Rural Kent	49,530	49,530
Bedfordshire Rural Communities Charity	35,840	35,840
Cambridgeshire ACRE	44,180	44,180
Cheshire Community Action	39,500	39,500
Connecting Communities in Berkshire	34,840	34,840
Community Action Isle of Wight	33,840	33,840
Community Action Norfolk	50,995	50,995
Community Action Northumberland	42,405	42,405
Community Action Suffolk	45,310	45,310
Community Council for Somerset	44,060	44,060
Community Development Action Hertfordshire	38,065	38,065
Community First in Herefordshire and Worcestershire	43,930	43,930
Community First Oxfordshire	39,640	39,640
Community First, Wiltshire	41,095	41,095
Community First Yorkshire	69,720	69,720
Community Futures, Lancashire	44,240	44,240
Community Impact Bucks	39,000	39,000
Community Lincs part of Lincolnshire YMCA Ltd	49,030	49,030
Cornwall Rural Community Charity	45,670	45,670
Devon Communities Together	53,145	53,145
Dorset Community Action	41,255	41,255
Durham Community Action	42,585	42,585
GRCC Community Action in Gloucestershire	39,220	39,220
Humber & Wolds Rural Action	41,965	41,965
Northamptonshire ACRE	40,280	40,280
Rural Action Derbyshire	44,200	44,200
Rural Community Action Nottinghamshire	40,580	40,580
Rural Community Council (Leicestershire & Rutland)	41,200	41,200
Rural Community Council of Essex	46,875	46,875
Shropshire Rural Community Council	40,135	40,135
Support Staffordshire	42,405	42,405
Surrey Community Action	38,735	38,735
Tees Valley Rural Action	34,235	34,235
WRCC (Warwickshire Rural Community Council)	37,635	37,635
West of England Rural Network	36,325	36,325
	<u>1,633,000</u>	<u>1,633,000</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2021

Big Lottery Safeguarding	2021 £	2020 £
Action Hampshire	1,000	-
Action in rural Sussex	1,000	-
Action with Communities in Cumbria	1,000	-
Action with Communities in Rural Kent	1,000	-
Bedfordshire Rural Communities Charity	1,000	-
Cambridgeshire ACRE	1,000	-
Cheshire Community Action	1,000	-
Connecting Communities in Berkshire	1,000	-
Community Action Isle of Wight	1,000	-
Community Action Norfolk	1,000	-
Community Action Northumberland	1,000	-
Community Action Suffolk	1,500	-
Community Council for Somerset	1,000	-
Community Development Action Hertfordshire	1,000	-
Community First in Herefordshire and Worcestershire	1,000	-
Community First Oxfordshire	1,000	-
Community First, Wiltshire	1,500	-
Community First Yorkshire	1,000	-
Community Futures, Lancashire	1,000	-
Community Impact Bucks	1,000	-
Community Lincs part of Lincolnshire YMCA Ltd	1,000	-
Cornwall Rural Community Charity	1,000	-
Devon Communities Together	1,000	-
Dorset Community Action	1,000	-
Durham Community Action	1,000	-
GRCC Community Action in Gloucestershire	1,000	-
Humber & Wolds Rural Action	1,000	-
Northamptonshire ACRE	1,500	-
Rural Action Derbyshire	1,000	-
Rural Community Action Nottinghamshire	1,500	-
Rural Community Council (Leicestershire & Rutland)	1,500	-
Rural Community Council of Essex	1,000	-
Shropshire Rural Community Council	1,000	-
Support Staffordshire	1,500	-
Surrey Community Action	1,000	-
Tees Valley Rural Action	1,000	-
WRCC (Warwickshire Rural Community Council)	1,000	-
West of England Rural Network	1,000	-
	<u>41,000</u>	<u>-</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2021

National Village Hall Survey grants to network members	2021 £	2020 £
Action Hampshire	-	600
Action in rural Sussex	-	600
Action with Communities in Cumbria	-	600
Action with Communities in Rural Kent	-	600
Bedfordshire Rural Communities Charity	-	600
Cambridgeshire ACRE	-	600
Cheshire Community Action	-	600
Connecting Communities in Berkshire	-	600
Community Action Isle of Wight	-	600
Community Action Norfolk	-	600
Community Action Northumberland	-	600
Community Action Suffolk	-	600
Community Council for Somerset	-	600
Community Development Action Hertfordshire	-	600
Community First in Herefordshire and Worcestershire	-	600
Community First Oxfordshire	-	600
Community First, Wiltshire	-	600
Community First Yorkshire	-	600
Community Futures, Lancashire	-	600
Community Impact Bucks	-	600
Community Lincs part of Lincolnshire YMCA Ltd	-	600
Cornwall Rural Community Charity	-	600
Devon Communities Together	-	600
Dorset Community Action	-	600
Durham Community Action	-	600
GRCC Community Action in Gloucestershire	-	600
Humber & Wolds Rural Action	-	600
Northamptonshire ACRE	-	600
Rural Action Derbyshire	-	600
Rural Community Action Nottinghamshire	-	600
Rural Community Council (Leicestershire & Rutland)	-	600
Rural Community Council of Essex	-	600
Shropshire Rural Community Council	-	600
Support Staffordshire	-	600
Surrey Community Action	-	600
Tees Valley Rural Action	-	600
WRCC (Warwickshire Rural Community Council)	-	600
West of England Rural Network	-	600
	-	22,800

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2021

Village Hall Improvement grants paid to external organisations	2021 £	2020 £
2nd Brewood Scout Group	–	13,196
Admaston House CC	–	38,354
Aighton Bailey & Chaigley War Memorial Hall	–	14,960
Bollington Community Centre	–	17,189
Brewham Village Hall	–	10,542
Blewbury Hall	–	23,502
Cliviger Village Hall	–	12,489
East Rushton Village Hall	–	13,232
Folksworth Village Hall	–	33,177
Holton–Le–Clay Mlt–Prps	–	12,872
Huntsworth Village Hall	5,450	5,460
Kirby–in–Furness Village Hall	–	25,000
Lowsonford & District VH	–	10,585
Marston St Lawrence Village Hall	(969)	20,837
Middleton & Todrige Village Hall	–	14,050
Taynton & Tibberton Village Hall	–	11,238
Trent Memorial Hall	–	20,546
Westleton Village Hall	–	75,000
Wren Village Hall	–	20,000
Arlingham Victory Hall	51,123	–
Ashwell Village Hall	46,000	–
Barsham & Shipmeadow Village Hall	10,275	–
Barton Bendish Village Hall	46,681	–
Beckbury Village Hall	23,222	–
Bishops Wood Village Hall	10,000	–
Blindcrake Village Hall	17,500	–
Borrowdale Institute	50,835	–
Braishfield Village Hall	10,000	–
Bramhope (Robert Craven Memorial Hall)	16,101	–
Broadwas Village Hall	15,000	–
Brockley Village Hall	15,000	–
Burwash Village Hall	10,000	–
Clara Vale Village Hall Association	10,063	–
Clifford Village Hall	32,094	–
Combe Community Hub	20,847	–
Copsale Village Hall	38,189	–
Crookham Village Hall	21,000	–
Dipton Jubilee Centre	27,462	–
Easterton Village Hall	10,769	–
Eastleach Village Hall	11,498	–
Edstaton Village Hall	15,719	–
Ellerdine Village Hall	13,427	–
Felmington Village Hall	12,622	–
Frosterley Village Hall	13,006	–
Granborough Village Hall	12,322	–
Great Brickhall Village Hall	35,000	–
Grindon Parish Hall	24,488	–
Hanworth Memorial Hall	18,582	–
Henfield Village Hall	10,000	–
Hepple Village Hall	13,420	–
Hewish & Puxton Village Hall Ltd	16,300	–
Hunsonby Community Centre	47,745	–
Keekle Village Hall	10,666	–
Kingsley Community Association	15,000	–
Kirkby–in–Furness Village Hall	9,776	–
Lamorna Village Hall	11,176	–
Linton Village Hall	10,000	–
Marnhull Village Hall	21,838	–
Menheniot Old School Trust	10,963	–
Murcott & Fencott Village Hall	10,245	–
Netherwitton Village Hall	13,258	–

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2021

Village Hall Improvement grants paid to external organisations (continued)

Oakhanger Village Hall	27,000	–
Owermoigne Village Hall	10,687	–
Pannal Memorial Hall	75,000	–
Port Isaac Village Hall	13,746	–
Ridgewell Village Hall	75,000	–
The Erskine Centre	12,321	–
The Hive Community Centre	10,356	–
The Old Chapel	20,016	–
Three Parishes Hall	20,000	–
Thursley Village Hall	14,858	–
Willington Peace Memorial Hall	10,000	–
Wolverley Memorial Hall	14,049	–
Woolacombe Village Hall	34,190	–
	1,180,917	392,228

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

11 Taxation

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

12 Tangible fixed assets

	Computer equipment £	Total £
Cost or valuation		
At the start of the year	5,441	5,441
Additions in year	695	695
At the end of the year	6,136	6,136
Depreciation		
At the start of the year	3,575	3,575
Charge for the year	1,163	1,163
At the end of the year	4,738	4,738
Net book value		
At the end of the year	1,398	1,398
At the start of the year	1,866	1,866

All of the above assets are used for charitable purposes.

13 Mixed motive investments

	2021 £	2020 £
Investment in Cirican LLP	3,000	–

During 2020, ACRE made an investment of £3,000 into Cirican LLP. The objective of Cirican is to enable ACRE and those members who are involved in Cirican to tender for larger national research contracts that play to the members' skills and experience, for both financial return and furtherance of charitable purposes.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2021

14 Debtors	2021 £	2020 £
Loans to rural community buildings under loan scheme (Note 14a)	233,928	291,724
Other debtors	24,100	18,584
Prepayments	6,675	10,146
	<u>264,703</u>	<u>320,454</u>
Amounts due after more than one year included in:		
Loans to rural community buildings under loan scheme	<u>174,687</u>	<u>213,169</u>
15 Creditors: amounts falling due within one year	2021 £	2020 £
Rural community buildings loan fund (Note 15a)	700,000	700,000
Trade creditors	27,133	13,217
Taxation and social security	21,803	19,408
Other creditors	11,718	24,605
Village Hall Improvement Grant drawdown confirmed	-	28,962
Deferred income (note 16)	93,194	91,953
	<u>853,848</u>	<u>878,145</u>
15a Rural community buildings loan fund		
Rural community building loan fund administered by ACRE on behalf of Defra:	2021 £	2020 £
Funds advanced by Defra at 1 April 2020	<u>700,000</u>	<u>700,000</u>
Loans to rural community buildings:		
Outstanding at 1 April 2020	291,724	477,117
Made during year	31,000	61,940
Repayments during year	<u>(88,796)</u>	<u>(247,333)</u>
Outstanding loans at March 2021 (note 14)	<u>233,928</u>	<u>291,724</u>
Bank deposit on hand at 31 March 2021	<u>466,072</u>	<u>408,276</u>
16 Deferred income		
Deferred income comprises:	2021 £	2020 £
Balance at the beginning of the year	91,953	10,838
Amount released to income in the year	(48,926)	(10,838)
Amount deferred in the year	<u>50,167</u>	<u>91,953</u>
Balance at the end of the year	<u>93,194</u>	<u>91,953</u>
Income deferred to 2021-22		
Village Hall Advisors training event November 2021	6,000	6,000
Tradestands income received for Village Hall Advisors training event November 2021	500	333
Village Hall Improvement grant management to Dec 2021	36,694	85,620
Big Lottery Digital	50,000	-
	<u>93,194</u>	<u>91,953</u>

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2021

17a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	1,398	-	-	1,398
Mixed motive investments	3,000	-	-	3,000
Net current assets	372,260	57,000	1,241,949	1,671,209
Net assets at 31 March 2021	376,658	57,000	1,241,949	1,675,607

17b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	1,866	-	-	1,866
Net current assets	331,103	119,063	2,439,714	2,889,880
Net assets at 31 March 2020	332,969	119,063	2,439,714	2,891,746

18a Movements in funds (current year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
Carnegie	-	10,000	(12,111)	2,111	-
LACE UP (Sport England)	7,586	-	-	-	7,586
Big Lottery CV-19	-	69,500	(73,954)	4,454	-
Big Lottery Safeguarding grant	11,251	41,916	(53,201)	-	(34)
Defra rural communities	122	1,633,000	(1,633,000)	-	122
Defra Village Hall survey post CV-19	-	15,000	(6,600)	-	8,400
Hallmaster	-	310	(310)	-	-
National Parks Residents Association	2,787	-	-	-	2,787
Village Hall Improvement Grants	2,432,280	421	(1,216,209)	-	1,216,492
Power to Change Village Hall Survey	(22,764)	13,435	(12,112)	21,441	-
National Village Halls transfer	471	-	-	-	471
Centre for Discovery	-	5,000	(5,000)	-	-
Rural Coalition	7,981	3,600	(5,456)	-	6,125
Total restricted funds	2,439,714	1,792,182	(3,017,953)	28,006	1,241,949
Unrestricted funds:					
Designated funds:					
ACRE Network Development Fund	22,063	-	-	(22,063)	-
ACRE Network Service Review Delivery	50,000	-	(2,000)	(44,000)	4,000
Supporting ACRE Network members	20,000	-	-	-	20,000
LLP Consultancy (Cirican)	27,000	6,000	-	-	33,000
Total designated funds	119,063	6,000	(2,000)	(66,063)	57,000
General funds	332,969	321,454	(315,822)	38,057	376,658
Total unrestricted funds	452,032	327,454	(317,822)	(28,006)	433,658
Total funds	2,891,746	2,119,636	(3,335,775)	-	1,675,607

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2021

18b Movements in funds (prior year)

	At 1 April 2019 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 March 2020 £
Restricted funds:					
Nationwide Foundation	5,611	-	(5,611)	-	-
LACE UP (Sport England)	10,167	-	(2,581)	-	7,586
Big Lottery Safeguarding grant	-	14,484	(3,233)	-	11,251
Defra rural communities	122	1,633,000	(1,633,000)	-	122
Hallmaster	-	300	(300)	-	-
National Parks Residents Association	2,787	-	-	-	2,787
Village Hall Improvement Grants	-	2,824,508	(392,228)	-	2,432,280
Power to Change Village Hall Survey	-	13,435	(36,199)	-	(22,764)
National Village Halls transfer	471	-	-	-	471
Rural Coalition	5,666	6,000	(3,685)	-	7,981
Total restricted funds	24,824	4,491,727	(2,076,837)	-	2,439,714
Unrestricted funds:					
Designated funds:					
ACRE Network Development Fund	15,735	24,320	(2,387)	(15,605)	22,063
Policy and Advocacy	-	30,000	(45,605)	15,605	-
ACRE Network Service Review Delivery	-	50,000	-	-	50,000
Supporting ACRE Network members	-	20,000	-	-	20,000
LLP Consultancy (Cirican)	-	30,000	(3,000)	-	27,000
Total designated funds	15,735	154,320	(50,992)	-	119,063
General funds	415,911	301,367	(384,309)	-	332,969
Total unrestricted funds	431,646	455,687	(435,301)	-	452,032
Total funds	456,470	4,947,414	(2,512,138)	-	2,891,746

Movements in funds (narrative)

Purposes of restricted funds

Carnegie

This grant has been provided to support the Centenary of the Rural Community Council Movement via events and two publications. The funding will be fully utilised during 2021–22.

LACE UP (Sport England)

This project has been completed and it is intended that the remnants of the management fee will be utilised in providing ongoing support and promotion of physical activity in village halls as the sector reopens post covid.

Defra rural communities support

The investment delivers support to the end beneficiaries of the ACRE Network, ensuring that rural communities have the technical support and advice needed to survive and thrive. The grant is distributed through ACRE to its 38 members, full details are available on the ACRE website.

Defra Village Hall survey

This time limited project involves surveying village and community halls to ascertain the impact of Covid on their sustainability and their future support needs.

National Parks Residents Association (ANPAC)

ACRE holds funds on behalf of the National Parks Residents Association for use only as designated by the Association.

Hallmaster

Hallmaster Limited (software provider for booking halls) pay £10 to ACRE for every sale given to a village hall or similar rural community building as recommended by the Network member. This is paid annually to ACRE and distributed to the relevant Network members annually.

National Village Halls Transfer

The National Village Halls Forum closed and a decision was taken to pay funds remaining in the bank account to ACRE for hosting and support work undertaken by the new Village and Community Halls Network. It is intended that this resource will be utilised during 2021–22.

Rural Coalition

ACRE undertakes the secretariat for the Rural Coalition. The funds from the membership were distributed as agreed by members during 2020–21 and the remainder carried forward for activity planned in 21–22.

Big Lottery Safeguarding grant

The National Lottery Community Fund is providing funds for a project that will improve awareness of safeguarding. ACRE will use the 38 ACRE members' contacts and reach into rural communities to signpost and share resources.

Village Hall Improvement Grants

The Village Hall Improvement Grant Fund provides grants of between £10,000 and £75,000 for refurbishment, renovation and extension of village halls and similar rural community buildings. A total of £2,785,502 has been offered to 123 Village halls as at 31 March 2021, with approximately £926,000 of the offers not yet drawn down. This year project has been extended, due to COVID–19, and should be concluded during 2021–22.

Power to Change Village Hall Survey

Power to Change funded 50% of the costs of carrying out the 2020 National Survey of Village & Community Halls.

Big Lottery COVID–19

ACRE received Emergency Covid–19 funding to underpin and safeguard its work for a six month period to support rural communities and the ACRE Network during the pandemic. The grant enabled ACRE to respond to the increase demand for its services in respect of Government liaison over COVID–19; provide additional advice and support to ACRE members; ramp up the direct information and advice to rural communities, especially in relation to the closure and re–opening of community owned buildings and the attendant frequent regulatory changes; input into national guidance in respect of community owned and managed assets and engage in joint working with other national partners.

Purpose of designated funds

ACRE Network Development Fund

The ACRE Network Development Fund was established by the Board to support the delivery of ACRE Network Development Plan. This fund was fully utilised during 2020–21.

ACRE Network Service Review Delivery

The ACRE Board designated funds to support the research, review and modernisation of its services.

Supporting ACRE Network members

The ACRE Board designated funds to support a strategic review of ACRE member services in order to identify the best and most sustainable way of safeguarding such services for end beneficiaries in the future.

LLP Consultancy (Cirican)

The ACRE Board designated funds to underpin 'Cirican' the ACRE Network Consultancy vehicle, established to capitalise on members' extensive experience and understanding of rural issues, and to generate an income stream to advance ACRE's charitable aim of supporting rural communities. These designated funds were released in February 2021 as the board concluded that the designation was no longer required.

Action with Communities in Rural England

Notes to the financial statements

For the year ended 31 March 2021

19 Government grants

The charitable company received government grants during the year, defined as funding from the Department for Environment, Food & Rural Affairs (DEFRA) to fund charitable activities. The total value of these grants is shown below. There were no unfulfilled conditions or contingencies attaching to these grants in the current or prior year.

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
Defra village hall improvement grant	-	-	-	2,914,380
Defra support to rural communities	79,000	1,633,000	1,712,000	1,712,000
European Rural Parliament	-	-	-	4,159
Total	79,000	1,633,000	1,712,000	4,630,539

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

	2021 £	2020 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(1,216,136)	2,435,276
Depreciation charges	1,163	1,066
Dividends, interest and rent from investments	(111)	(517)
(Increase)/decrease in debtors	55,747	184,491
(Increase)/decrease in loan fund cash	(57,796)	(185,393)
Increase/(decrease) in creditors	(24,297)	113,171
Net cash provided by / (used in) operating activities	(1,241,430)	2,548,094

21 Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	578,054	(264)	577,790
Account for village hall improvement grant scheme	2,461,242	(1,244,750)	1,216,492
Total	3,039,296	(1,245,014)	1,794,282

22 Operating lease commitments

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

	Property		Equipment	
	2021 £	2020 £	2021 £	2020 £
Less than one year	3,940	19,600	1,156	1,156
One to five years	-	-	-	1,156
Total	3,940	19,600	1,156	2,312

23 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.

24 Related Party Transactions

Related party transactions made with trustees are detailed in note 8. Related party transactions in the form of grants paid to members are detailed in note 10. Cirican LLP is a commercial research partnership of which ACRE is a member. ACRE has paid legal fees of £3,000 to help set up the partnership. There were no balances outstanding at year end.

25 Contingent liability

The charity has offered a number of grants to village halls at 31 March 2021 which have not yet been drawn down. These grants are considered probable but have not been recognised in the accounts as it has not been possible to accurately measure their value as these are dependant on the level of funds raised by the village halls at draw down. However, the total value of grants offered but not yet drawn down is estimated be approximately £926,000.