

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE AND RUTLAND)

England & Wales · Charity number 1077645

Details

Other names	LEICESTERSHIRE AND RUTLAND RURAL COMMUNITY COUNCIL, RCC
Status	Registered
Legal form	Charitable company
Company number	03665974
Registered	1999-10-01
Register	View on the Charity Commission register

Contact

Address	S09 Atkins Building Lower Bond Street Hinckley LE10 1QU
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Email	info@ruralcc.org.uk
Website	www.ruralcc.co.uk

Activities

Objects: TO FURTHER ANY CHARITABLE PURPOSE OR PURPOSES FOR THE BENEFIT OF THOSE WHO ARE RESIDENT OR WORK IN THE RURAL AREAS AND COMMUNITIES OF LEICESTERSHIRE AND RUTLAND

Activities: Rural Community Council ensures that all those who work and live in rural communities in Leicestershire and Rutland are provided with access to a range of opportunities, services and facilities, which are sustainable and inclusive to all and are empowered to influence and manage their future

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Human Resources, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Accommodation/housing, Amateur Sport, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, People With Disabilities, People Of A Particular Ethnic Or Racial Origin, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** LEICESTERSHIRE AND RUTLAND
- Leicester City
- Leicestershire
- Rutland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£802,152	£785,598	£836,217	19
2024-03-31	£563,950	£572,896	£822,480	16
2023-03-31	£616,881	£653,632	£809,243	15
2022-03-31	£522,244	£443,263	£849,447	17
2021-03-31	£318,713	£323,781	-	-

Trustees

Name	Role	Appointed
DALE MORTIMER		
HILARY JEAN FRYER		2014-01-16
JOHN HARRY FLOWER		
Lucy Stephenson		2023-10-30
Maggie Wright		2025-04-28
Martin John Devereux Traynor		2014-01-07
PAT CRANE		
PHILLIP DURBAN		2011-10-27
Tracy Steward		2025-04-28

Accounts

Document Details

Filename:	RCC - Charity Accounts 2025.pdf
Client of:	Mark J Rees LLP

Signature Details

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REGISTERED COMPANY NUMBER: 03665974 (England and Wales)
REGISTERED CHARITY NUMBER: 1077645

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025
FOR
RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

Mark J Rees LLP Chartered Accountants
and Statutory Auditors
Granville Hall
Granville Road
Leicester
LE1 7RU

**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

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FOR THE YEAR ENDED 31 MARCH 2025**

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RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and Aims

The Charitable Objects of the Rural Community Council (Leicestershire & Rutland) (RCC) are to further any charitable purpose or purposes for the benefit of those who are resident or work in the rural areas and communities of Leicestershire and Rutland.

More specifically the RCC's mission is to ensure that all those who work and live in rural communities in Leicestershire and Rutland are provided with access to a range of opportunities, services, and facilities, which are sustainable and inclusive to all and are empowered to influence and manage their future.

The trustees believe that all the activities undertaken by the charity are for the public benefit, and as part of their role as trustees for the organisation ensure that future and proposed activities fit with the purposes of the charity, and that the charitable activities remain relevant to beneficiaries.

The trustees can confirm that they have had regard for the Charity Commission Public Benefit guides as below:

- The Public Benefit Requirement (PB1)
- Running a Charity (PB2)
- Reporting (PB3)

Key elements of the RCC's work designed to meet the charitable activity outlined above can be summarised as:

Community Wellbeing

- Outreach programmes to tackle isolation, loneliness, and mental health.
- Provision of outreach and engagement services to local authorities, the NHS and clinical commissioning groups.
- Encourage rural equality in service delivery.

Rural Economy

- Delivery of support programmes for those seeking employment and training.
- Promote economic development and investment across rural areas of Leicestershire and Rutland.
- Provide a voice for rural businesses and communities.
- Encourage rural equality in investment and infrastructure.

Facilities and Services

- Provide support and guidance to community owned buildings and facilities.

Community Engagement and Voluntary Sector Support

- Provision of voluntary sector infrastructural services and support.
- Distribution of third-party grants to the voluntary sector.

Representation

- Representation of local communities into Government, local authority, and other consultations.

Social Investment

Social investment does not form a material part of the charitable and investment activities of the RCC.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

OBJECTIVES AND ACTIVITIES

Grant Making

The RCC does not make grants from its own funds or reserves, rather grant programmes are delivered on behalf of partners, including local authorities.

Where this is the case, policy on grants, including eligibility, application processes and transparency are agreed on a by case-by-case basis with the funder.

Where grant funds are held by the RCC on behalf of local authorities or other funders, they are held as restricted funds and detailed as such in the annual accounts.

Volunteers

The RCC does not routinely use volunteers in the day-to-day operations of the charity, however a full policy for volunteer recruitment, management and wellbeing is in place.

STATEMENT OF DISCLOSURE TO AUDITORS

As far as the trustees are aware there is no relevant audit information of which the charitable companies' auditors are unaware. Additionally, the trustees have taken all the necessary steps that they ought to have taken as trustees in order to make themselves aware of all relevant audit information and to establish that the charitable companies' auditors are aware of that information.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

ACHIEVEMENT AND PERFORMANCE

Achievement and Performance

Little Cup of Joy -

The RCC continued to deliver this NHS funded project aimed at reducing loneliness and isolation through the mobile provision of a barista style coffee van. The project delivered sessions across rural communities in both Leicestershire and Rutland.

Warm, Optimistic and Well (WOW) -

Delivery of the third year of this project which supports individuals with issues relating to fuel poverty, access to warm spaces and basic skills in relation fuel budgeting and usage.

Leicestershire Rural Partnership -

Contribute to the understanding of rural community needs and action on the LRP board led by Leicestershire County Council.

Halls Together -

Support, guidance and training provided to the estimated three hundred village halls and community buildings across Leicestershire and Rutland. In depth enquires numbered over two hundred and fifty during the year. Bespoke training courses delivered to over two hundred delegates. The project also provides information and support to village halls in Warwickshire and Solihull.

Hinckley and Bosworth VCS Support -

Delivery of Voluntary Sector and Volunteer support services in Hinckley and Bosworth.

Hinckley and Bosworth Grants -

Distributed grants in excess of £70,000 to rural community projects across the Borough.

Community Woodlands in National Forest -

Working with the National Forest Company and utilising National Lottery funding to engage with rural communities to develop small woodland area in villages.

Harborough Community Development -

Engaging with communities in the Harborough District regarding community expansion, use of development contributions and the provision of community facilities.

Hinckley and Bosworth Mobile Hub -

Working in partnership with the local authority to take their statutory and non-statutory services out into rural communities.

Harborough Helping Improve Rural Employability (HIRE) -

Using Shared Prosperity Fund monies to engage with those furthest from the employment market to increase skills and opportunities for employment in the Harborough District.

Oadby and Wigston Helping Improve Rural Employability (HIRE) -

Using Shared Prosperity Fund monies to engage with those furthest from the employment market to increase skills and opportunities for employment in the borough of Oadby and Wigston.

Northwest Leicestershire Helping Improve Rural Employability (HIRE) -

Using Shared Prosperity Fund monies to engage with those furthest from the employment market to increase skills and opportunities for employment in the district of Northwest Leicestershire.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

Achievement and Performance - Continued

Hinckley and Bosworth Helping Improve Rural Employability (HIRE) -

Using Shared Prosperity Fund monies to engage with those furthest from the employment market to increase skills and opportunities for employment in the borough of Hinckley and Bosworth.

Multiply -

Partnering with Leicestershire County Council to delivery basic numeracy and maths skills to rural residents in the borough of Melton.

Changing Connections -

Providing support to individuals in Melton Borough and Rutland allowing them to review, change and improve their social connections.

Earl Shilton Neighbourhood Mental Health Café -

Provides a regular safe space for individuals to attend in order to discuss and receive support for mental health issues.

Syston Neighbourhood Mental Health Café -

Provides a regular safe space for individuals to attend in order to discuss and receive support for mental health issues.

Rural Housing Enablement -

DEFRA funded project which is subcontracted to a registered social housing provider. Delivering solutions to tackle the shortage of affordable rural homes across Leicestershire & Rutland.

Fundraising activities

Individual projects undertaken by the RCC will have a set of output and outcome targets associated to them. Measurement and reporting of achievements vary depending on the requirements of the funder. However, the RCC will only undertake projects whose outcomes and outputs fit well with the overall objectives of the charity.

Reporting to funders and trustees show that all projects met or exceeded set targets, thus meeting the objectives of the charity.

The RCC does not set an objective for public fundraising. Projects are planned and funded on a full cost recovery basis wherever possible to ensure that the sustainability of the charity is protected.

Low value donations are received in relation to the Little Cup of Joy project, which are used to further the activity in this area.

Investment Performance

The RCC continues to hold a Charities Ethical Investment portfolio with Church, Charities and Local Authorities Investment Management Ltd (CCLA) during this year. The value of investment has decreased during the year, which in the opinion of the trustees is consistent with the performance other funds of similar risk rating and growth potential in the general market. The initial investment was made with the aim of gaining accumulated growth over the mid to long term, with a medium risk level.

Holdings in the Cirican Limited Liability Partnership are valued at the original investment price of £3,000.

FINANCIAL REVIEW

Financial Position

The trustees consider the charity remains in a strong financial position and is able to continue to deliver its charitable objectives.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

FINANCIAL REVIEW

Principal Funding Sources

Income into the charity was broadly split between grants and contract or commissioned work, all of which the trustees believe was charitable in nature.

Grant funding was received from the following bodies and organisations.

- DEFRA
- Leicestershire County Council
- The National Lottery
- Leicestershire and Rutland ICB
- The National Forest Company
- Rutland Citizens Advice Bureau
- Voluntary Action Leicestershire

The total value of funding from these sources is £254,216. Funded projects have varying end or renewal dates which are monitored by the trustees.

Income through commissioned and contract delivery was received from the following bodies and organisations.

- Hinckley and Bosworth Bough Council
- Cadent Gas Networks
- Oadby and Wigston Borough Council
- North West Leicestershire District Council
- Warwickshire Rural Community Council
- Harborough District Council

Total income received from these sources was £519,267.

Investment Policy and Objectives

The trustees have adopted a low to medium attitude to risk and have elected to invest an element of reserves in an ethical and balanced portfolio offered by CCLA. Other reserves are held in instant access, notice and fixed term accounts which provide a sufficient level of liquidity for the operation of the charitable company.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

FINANCIAL REVIEW

Reserves Policy

The RCC has decided that a minimum level of unrestricted reserve funds should be set to counterbalance trading uncertainty and produce a base level for stability. Additionally, a target level of unrestricted funds will also be set to allow for growth and for the RCC to take advantage of strategic development opportunities going forward. Holding unrestricted but designated reserves will also allow the RCC to make cash and market investments in order to generate revenue income to cover day to day operational expenses. Based on the operating budget set for 2025/26 the level of unrestricted funds was set as below.

Minimum Level

- Six months operating costs - £407,000
 - Cover for redundancy costs - £40,000
 - Contingent liabilities - £20,000
- Total - £467,000

Target Level

- Nine months operating costs - £610,000
 - Cover for redundancy costs - £40,000
 - Contingent liabilities - £20,000
- Total - £670,000

Operating costs being defined as payroll costs plus direct purchases. Redundancy costs being the statutory level for all staff employed.

Designated funds are excluded from reserves as per the Charities Commission definition. The trustees have designated the following funds.

- Designated cash for investment - £230,000
 - Designated strategic investment - £30,000
- Total - £260,000

Going Concern

The trustees consider the charity remains in a strong financial position and is able to continue to deliver its charitable aims whilst remaining a going concern.

Funds in Deficit

The trustees do not consider any funds to be materially in deficit.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Rural Community Council (Leicestershire and Rutland) is a company limited by guarantee and a registered charity.

The charitable company is governed by its Memorandum and Article of Association which sets out the objects and powers of the charitable company.

Recruitment and Appointment of New Trustees / Directors

Trustees joining the RCC receive a full induction into the governance and operational activities of the charity. Policies and procedures are adopted across the business, so trustees receive the same information as the Executive and staff teams.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure

The charitable company is governed by a Trustee Board which can accommodate between three and eleven trustees. The Board selects a chair and vice chair for each annual term at the AGM. Three trustees are selected to serve on each of the sub committees, namely the Audit Committee and the Remuneration and Nominations Committee.

A maximum of eleven trustees is allowed as below:

One representing Leicestershire County Council.

One representing Rutland County Council.

Up to nine elected from the membership.

Co-options are permitted up to the maximum of eleven trustees in total.

The trustees are also the non-executive directors who have overall control of the charity. Operational matters are delegated to the Executive Directors, of which there are two.

The RCC is a member of Action for Communities in Rural England (ACRE).

Induction and Training of New Trustees / Directors

Policies and procedures adopted for the induction and training of trustees:

- Health and Safety Policy
- Equal Opportunities Policy
- Reserves Policy
- Financial Controls
- Scheme of Delegation
- RCC Staff Handbook

Risk Management

A risk register is maintained and annually reviewed to minimise any risks to the charity assets.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03665974 (England and Wales)

Registered Charity number

1077645

Registered office

The Atkins
Lower Bond Street
Hinckley
Leicestershire
LE10 1QU

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

Trustees

Mrs P Crane
Mr P H Durban
Mr J H Flower
Mrs H J Fryer
Mrs J Martin
Mr A D Mortimer
Mr M J D Traynor OBE
Ms P Posnett (resigned 7.5.2025)
Ms L Stephenson
Mrs M Wright (appointed 28.4.2025)
Mrs T Steward (appointed 28.4.2025)

Jennifer Lady Gretton DCVO JP is the President of the charity.

The trustees delegate the day-to-day management of the charitable company to two employed Directors (distinct from the Directors of the charitable company).

Mr K Butcher and Mr S Howlett are Executive Directors of the charitable company.

Company Secretary

Mr K Butcher

Auditors

Mark J Rees LLP Chartered Accountants
and Statutory Auditors
Granville Hall
Granville Road
Leicester
LE1 7RU

**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2025**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Rural Community Council (Leicestershire & Rutland) for the purposes of company law) are responsible for preparing the Report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charity SORP.
- make judgements and estimates that are reasonable and prudent.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

As 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.

AUDITORS

The auditors, Mark J Rees LLP Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

Approved by order of the board of trustees on and signed on its behalf by:

.....
Mr M J D Traynor OBE - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Opinion

We have audited the financial statements of Rural Community Council (Leicestershire & Rutland) (the 'charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Our responsibilities for the audit of the financial statements

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

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

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISA's (UK).

We obtained an understanding of the legal and regulatory frameworks applicable to the charity and industry in which it operates through our general commercial experience. We determined that the following laws and regulations were most significant: FRS 102, Companies Act 2006 and Charities SORP (FRS 102).

We enquired of management concerning the charities policies and procedures relating to:

- the identification and compliance with laws and regulations.
- the detection and response to the risks of fraud.
- the internal controls inherent within the charity to mitigate fraud risk and non-compliance to laws and regulations.

We enquired of management, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.

We communicated relevant laws and regulations and potential areas of fraud to all audit team members. We remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We have determined that the principal risk areas where material irregularities could occur were related to posting manual journal entries to manipulate financial performance, income recognition and significant one-off or unusual transactions. We have identified that no manual journal entries were posted by management in the year and therefore no further work deemed necessary on this risk area.

Our audit procedures were designed to respond in particular to these identified risks (including non compliance with laws and regulations and fraud).

Our audit procedures included but were not limited to:

- A review of a sample of income transactions from both income streams to ensure income has been accurately recorded and to confirm amounts are recognised in the correct period.
- A review of laws and regulations the charity is subject to, followed by compliance checks and discussion with management to ensure no instances of non compliance.

We did not identify any matters during the course of our work that indicated non-compliance with laws and regulations or relating to fraud.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Use of our report

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

Mr P Bott FCA (Senior Statutory Auditor)
for and on behalf of Mark J Rees LLP Chartered Accountants
and Statutory Auditors
Granville Hall
Granville Road
Leicester
LE1 7RU

Date:

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds	Restricted funds	2025 Total funds	2024 Total funds as restated
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	257,398	-	257,398	190,404
Other trading activities	4	449,267	70,000	519,267	353,987
Investment income	5	25,479	8	25,487	19,559
Total		732,144	70,008	802,152	563,950
EXPENDITURE ON					
Charitable activities	6				
Grants		-	67,433	67,433	81,685
Other		718,165	-	718,165	491,211
Total		718,165	67,433	785,598	572,896
Net gains/(losses) on investments		(2,817)	-	(2,817)	22,183
NET INCOME		11,162	2,575	13,737	13,237
RECONCILIATION OF FUNDS					
Total funds brought forward		822,475	5	822,480	809,243
TOTAL FUNDS CARRIED FORWARD		833,637	2,580	836,217	822,480

The notes form part of these financial statements

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

BALANCE SHEET 31 MARCH 2025

		Unrestricted funds	Restricted funds	2025 Total funds	2024 Total funds as restated
	Notes	£	£	£	£
FIXED ASSETS					
Tangible assets	14	5,506	-	5,506	11,172
Investments	15	276,389	-	276,389	502,372
		<u>281,895</u>	<u>-</u>	<u>281,895</u>	<u>513,544</u>
CURRENT ASSETS					
Debtors	16	6,640	-	6,640	16,761
Investments	17	397,021	-	397,021	175,579
Cash at bank		257,074	2,580	259,654	208,495
		<u>660,735</u>	<u>2,580</u>	<u>663,315</u>	<u>400,835</u>
CREDITORS					
Amounts falling due within one year	18	(108,993)	-	(108,993)	(91,899)
NET CURRENT ASSETS		<u>551,742</u>	<u>2,580</u>	<u>554,322</u>	<u>308,936</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>833,637</u>	<u>2,580</u>	<u>836,217</u>	<u>822,480</u>
NET ASSETS		<u>833,637</u>	<u>2,580</u>	<u>836,217</u>	<u>822,480</u>
FUNDS	20				
Unrestricted funds:					
General fund				833,637	822,475
Restricted funds				2,580	5
TOTAL FUNDS				<u>836,217</u>	<u>822,480</u>

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

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

.....
Mr J H Flower - Trustee

The notes form part of these financial statements

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

		2025	2024
	Notes	£	as restated £
Cash flows from operating activities			
Cash generated from operations	1	24,529	(50,538)
Net cash provided by/(used in) operating activities		24,529	(50,538)
Cash flows from investing activities			
Purchase of tangible fixed assets		(581)	(15,013)
Movement in deposit investments		1,724	46,499
Interest received		25,487	19,559
Net cash provided by investing activities		26,630	51,045
Change in cash and cash equivalents in the reporting period		51,159	507
Cash and cash equivalents at the beginning of the reporting period		208,495	207,988
Cash and cash equivalents at the end of the reporting period		259,654	208,495

The notes form part of these financial statements

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

1.	RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	2025	2024 as restated
		£	£
	Net income for the reporting period (as per the Statement of Financial Activities)	13,737	13,237
	Adjustments for:		
	Depreciation charges	6,248	6,360
	Losses/(gain) on investments	2,817	(22,183)
	Interest received	(25,487)	(19,559)
	Decrease/(increase) in debtors	10,120	(5,819)
	Increase/(decrease) in creditors	17,094	(22,574)
	Net cash provided by/(used in) operations	24,529	(50,538)

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.24 £	Cash flow £	At 31.3.25 £
Net cash			
Cash at bank	208,495	51,159	259,654
	<u>208,495</u>	<u>51,159</u>	<u>259,654</u>
Liquid resources			
Deposits included in cash	-	-	-
Current asset investments	175,579	221,442	397,021
	<u>175,579</u>	<u>221,442</u>	<u>397,021</u>
Total	<u>384,074</u>	<u>272,601</u>	<u>656,675</u>

The notes form part of these financial statements

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

1. PRESENTATION CURRENCY

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

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

Expenditure

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

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

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee.

Tangible fixed assets

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

Fixtures and fittings	- 33% on cost
Motor vehicles	- 33% on cost
Computer equipment	- 33% on cost

Taxation

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

Fund accounting

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

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

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

**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2025**

2. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

Operating leases

Rental under operating leases is credited to income on an accruals basis and rental expenditure under operating leases are charged to the Statement of Financial Activities on the accruals basis.

Grants Payable

Grants payable are accounted for on the accruals basis when the grant has been approved by the Trustees.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Going Concern

The trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

3. DONATIONS AND LEGACIES

	2025	2024
	£	as restated £
Membership and donations	3,182	11,200
Grants	254,216	179,204
	<u>257,398</u>	<u>190,404</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2025

3. DONATIONS AND LEGACIES - continued

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

	2025	2024 as restated
	£	£
Leicestershire County Council	35,320	34,725
DEFRA/ACRE	95,980	47,215
Leicestershire NHS	-	46,925
Voluntary Action Leicester	29,954	-
VISTA - Will project	-	5,859
National Lottery Community Fund	61,394	-
National Forest	23,168	35,480
Rutland CAB	8,400	9,000
	<u>254,216</u>	<u>179,204</u>

4. OTHER TRADING ACTIVITIES

	2025	2024 as restated
	£	£
Services and project work	<u>519,267</u>	<u>353,987</u>

5. INVESTMENT INCOME

	2025	2024 as restated
	£	£
Deposit account interest	<u>25,487</u>	<u>19,559</u>

6. CHARITABLE ACTIVITIES COSTS

		Grant funding of activities (see note 7)
		£
Grants		<u>67,433</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2025

7. GRANTS PAYABLE

	£
Community Volunteer Fund	11,151
Make A Difference	56,282
	<u>67,433</u>

8. SUPPORT COSTS

	Support costs £	Governance costs £	Totals £
Other resources expended	<u>711,981</u>	<u>6,184</u>	<u>718,165</u>

Support costs, included in the above, are as follows:

	2025	2024 as restated
	Other resources expended £	Total activities £
Wages	513,975	372,831
Social security	39,019	24,732
Pensions	25,890	18,690
Service delivery costs	20,172	9,617
Vehicle expenses	4,894	4,438
Rates and water	5,186	4,993
Insurance	5,880	6,343
Rent and service charge	9,984	9,984
Computer costs	8,025	7,363
Postage and stationery	2,622	1,332
Sundries	1,150	1,324
Professional fees	41,499	7,723
Travel and subsistence	14,460	9,668
Equipment purchases	5,027	-
Irrecoverable VAT	7,950	-
Depreciation of tangible fixed assets	6,248	6,360
Auditors' remuneration	6,184	5,813
	<u>718,165</u>	<u>491,211</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2025

9. NET INCOME/(EXPENDITURE)

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

	2025	2024 as restated
	£	£
Auditors' remuneration	6,184	5,813
Depreciation - owned assets	6,248	6,361
Hire of plant and machinery	20,172	9,617
Other operating leases	4,894	4,438
	<u> </u>	<u> </u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustee's remuneration or other benefits for the year ended 31 March 2025 nor for the year ended 31 March 2024.

Trustees' expenses

There were no Trustee's expenses paid for the year ended 31 March 2025 nor for the year ended 31 March 2024.

11. STAFF COSTS

	2025	2024 as restated
	£	£
Wages and salaries	513,975	372,831
Social security costs	39,019	24,732
Other pension costs	25,890	18,690
	<u> </u>	<u> </u>
	<u>578,884</u>	<u>416,253</u>

Total remuneration in relation to Key Management Personnel, included within the figures above, amounts to £115,157 (2024: £88,654).

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

	2025	2024 as restated
Average number of employees	<u>19</u>	<u>16</u>

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

The charitable company operates a pension scheme for the benefit of employees. The assets of the scheme are held separately from those of the company within independently administered funds. Contributions are charged to the Statement of Financial Activity in the period to which they relate. The charge for the year was £25,890 (2024: £18,690).

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2025

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - 31 MARCH 2024

	Unrestricted funds	Restricted funds	Total funds as restated
	£	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	190,404	-	190,404
Other trading activities	275,987	78,000	353,987
Investment income	19,554	5	19,559
Total	<u>485,945</u>	<u>78,005</u>	<u>563,950</u>
 EXPENDITURE ON			
Charitable activities			
Grants	651	81,034	81,685
Other	491,211	-	491,211
Total	<u>491,862</u>	<u>81,034</u>	<u>572,896</u>
 Net gains on investments	<u>22,183</u>	<u>-</u>	<u>22,183</u>
 NET INCOME/(EXPENDITURE)	16,266	(3,029)	13,237
 RECONCILIATION OF FUNDS			
Total funds brought forward	806,209	3,034	809,243
 TOTAL FUNDS CARRIED FORWARD	<u><u>822,475</u></u>	<u><u>5</u></u>	<u><u>822,480</u></u>

13. PRIOR YEAR ADJUSTMENT

During the year, the charity identified a misclassification in the prior year's balance sheet where £175,579 was incorrectly recorded under cash at bank instead of current asset investments and £306,166 under cash at bank instead of fixed asset investments. The comparative figures have been restated to reflect this reclassification. The adjustment had no impact on total funds or net assets.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2025

14. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2024	12,465	28,290	12,803	53,558
Additions	-	-	582	582
Disposals	(1,283)	-	(4,542)	(5,825)
At 31 March 2025	11,182	28,290	8,843	48,315
DEPRECIATION				
At 1 April 2024	12,349	19,627	10,410	42,386
Charge for year	116	4,331	1,801	6,248
Eliminated on disposal	(1,283)	-	(4,542)	(5,825)
At 31 March 2025	11,182	23,958	7,669	42,809
NET BOOK VALUE				
At 31 March 2025	-	4,332	1,174	5,506
At 31 March 2024	116	8,663	2,393	11,172

15. FIXED ASSET INVESTMENTS

	2025 £	2024 as restated £
Shares	191,389	194,206
Other	85,000	308,166
	276,389	502,372

Additional information as follows:

	Listed investments £	Unlisted investments £	Totals £
MARKET VALUE			
At 1 April 2024	191,206	3,000	194,206
Revaluations	(2,817)	-	(2,817)
At 31 March 2025	188,389	3,000	191,389
NET BOOK VALUE			
At 31 March 2025	188,389	3,000	191,389
At 31 March 2024	191,206	3,000	194,206

There were no investment assets outside the UK.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2025

15. FIXED ASSET INVESTMENTS - continued

Cost or valuation at 31 March 2025 is represented by:

	Listed investments £	Unlisted investments £	Totals £
Valuation in 2025	188,389	-	188,389
Cost	-	3,000	3,000
	<u>188,389</u>	<u>3,000</u>	<u>191,389</u>

Investments (neither listed nor unlisted) were as follows:

	2025 £	2024 as restated £
Bank deposits	<u>85,000</u>	<u>308,166</u>

Other investments consists of fixed term deposit accounts with high street banks and building societies which mature in more than a year.

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025 £	2024 as restated £
Trade debtors	-	11,163
Other debtors	1,948	1,903
Prepayments and accrued income	4,692	3,695
	<u>6,640</u>	<u>16,761</u>

17. CURRENT ASSET INVESTMENTS

	2025 £	2024 as restated £
Bank deposits	<u>397,021</u>	<u>175,579</u>

Current asset investments consists of fixed term deposit accounts with high street banks and building societies which mature in less than a year.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2025

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024 as restated
	£	£
Trade creditors	12,455	496
VAT	12,883	4,611
Other creditors	-	91
Accruals and deferred income	83,655	86,701
	<u>108,993</u>	<u>91,899</u>

19. LEASING AGREEMENTS

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

	2025	2024 as restated
	£	£
Within one year	6,344	6,344
Between one and five years	17,446	23,790
	<u>23,790</u>	<u>30,134</u>

Lease payments of £6,344 (2024: £6,344) were recognised as an expense during the year.

20. MOVEMENT IN FUNDS

	At 1.4.24 £	Net movement in funds £	At 31.3.25 £
Unrestricted funds			
General fund	822,475	11,162	833,637
Restricted funds			
HBBC VCS Commissioning Fund	5	2,575	2,580
TOTAL FUNDS	<u>822,480</u>	<u>13,737</u>	<u>836,217</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2025

20. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	732,144	(718,165)	(2,817)	11,162
Restricted funds				
HBBC VCS Commissioning Fund	70,008	(67,433)	-	2,575
TOTAL FUNDS	<u>802,152</u>	<u>(785,598)</u>	<u>(2,817)</u>	<u>13,737</u>

Comparatives for movement in funds

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	806,209	16,266	822,475
Restricted funds			
HBBC VCS Commissioning Fund	3,034	(3,029)	5
TOTAL FUNDS	<u>809,243</u>	<u>13,237</u>	<u>822,480</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	485,945	(491,862)	22,183	16,266
Restricted funds				
HBBC VCS Commissioning Fund	78,005	(81,034)	-	(3,029)
TOTAL FUNDS	<u>563,950</u>	<u>(572,896)</u>	<u>22,183</u>	<u>13,237</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2025

20. MOVEMENT IN FUNDS - continued

Restricted Funds

HBBC VCS Commissioning

Hinckley and Bosworth Borough Council (HBBC) commission the RCC to administer and distribute grants and commissioning monies to the Voluntary and Community Sector (VCS) across the Borough. This currently involves administration of a number of small grant schemes, namely, Making a Difference (MAD), Community Volunteer Fund (CVF), Warm Spaces Grant (WSG) and Coronation Grant (CG). The RCC market and promote the grants, undertake all administration of the applications, and make payments direct to beneficiaries. Decisions regarding grants are made by a grants panel, chaired by an elected member of HBBC and consisting of members of the VCS, including the RCC.

21. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2025.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2025

	Unrestricted funds	Restricted funds	2025 Total funds	2024 Total funds as restated
	£	£	£	£
INCOME AND ENDOWMENTS				
Donations and legacies				
Membership and donations	3,182	-	3,182	11,200
Grants	254,216	-	254,216	179,204
	257,398	-	257,398	190,404
Other trading activities				
Services and project work	449,267	70,000	519,267	353,987
Investment income				
Deposit account interest	25,479	8	25,487	19,559
Total incoming resources	732,144	70,008	802,152	563,950
EXPENDITURE				
Charitable activities				
Grants to institutions	-	67,433	67,433	81,685
Support costs				
Support costs				
Wages	513,975	-	513,975	372,831
Social security	39,019	-	39,019	24,732
Pensions	25,890	-	25,890	18,690
Service delivery costs	20,172	-	20,172	9,617
Vehicle expenses	4,894	-	4,894	4,438
Rates and water	5,186	-	5,186	4,993
Insurance	5,880	-	5,880	6,343
Rent and service charge	9,984	-	9,984	9,984
Computer costs	8,025	-	8,025	7,363
Postage and stationery	2,622	-	2,622	1,332
Sundries	1,150	-	1,150	1,324
Professional fees	41,499	-	41,499	7,723
Travel and subsistence	14,460	-	14,460	9,668
Equipment purchases	5,027	-	5,027	-
Irrecoverable VAT	7,950	-	7,950	-
Depreciation of tangible fixed assets	6,248	-	6,248	6,360
	711,981	-	711,981	485,398

This page does not form part of the statutory financial statements

**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2025**

	Unrestricted funds	Restricted funds	2025 Total funds	2024 Total funds as restated £
	£	£	£	
Support costs				
Governance costs				
Auditors' remuneration	6,184	-	6,184	5,813
Total resources expended	718,165	67,433	785,598	572,896
Net (expenditure)/income before gains and losses	13,979	2,575	16,554	(8,946)
Realised recognised gains and losses				
Realised gains/(losses) on fixed asset investments	(2,817)	-	(2,817)	22,183
Net income	11,162	2,575	13,737	13,237

This page does not form part of the statutory financial statements

Accounts

REGISTERED COMPANY NUMBER: 03665974 (England and Wales)
REGISTERED CHARITY NUMBER: 1077645

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
FOR
RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

Mark J Rees LLP Chartered Accountants
and Statutory Auditors
Granville Hall
Granville Road
Leicester
LE1 7RU

**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

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FOR THE YEAR ENDED 31 MARCH 2024**

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RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and Aims

The Charitable Objects of the Rural Community Council (Leicestershire & Rutland) (RCC) are to further any charitable purpose or purposes for the benefit of those who are resident or work in the rural areas and communities of Leicestershire and Rutland.

More specifically the RCC's mission is to ensure that all those who work and live in rural communities in Leicestershire and Rutland are provided with access to a range of opportunities, services, and facilities, which are sustainable and inclusive to all and are empowered to influence and manage their future.

The Trustees believe that all the activities undertaken by the charity are for the public benefit, and as part of their role as Trustees for the organisation ensure that future and proposed activities fit with the purposes of the charity, and that the charitable activities remain relevant to beneficiaries.

The Trustees can confirm that they have had regard for the Charity Commission Public Benefit guides as below:

- The Public Benefit Requirement (PB1)
- Running a Charity (PB2)
- Reporting (PB3)

Key elements of the RCC's work designed to meet the charitable activity outlined above can be summarised as;

Community Wellbeing

- Outreach programmes to tackle isolation and loneliness.
- Provision of outreach and engagement services to local authorities, the NHS and clinical commissioning groups.
- Encourage rural equality in service delivery.

Rural Economy

- Delivery of support programmes for those seeking employment and training.
- Promote economic development and investment across rural areas of Leicestershire and Rutland.
- Provide a voice for rural businesses and communities.
- Encourage rural equality in investment and infrastructure.

Facilities and Services

- Provide support and guidance to community owned buildings and facilities.

Community Engagement and Voluntary Sector Support

- Provision of voluntary sector infrastructural services and support.
- Distribution of third-party grants to the voluntary sector.

Representation

- Representation of local communities into Government, local authority and other consultations.

Social Investment

Social investment does not form a material part of the charitable and investment activities of the RCC.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

OBJECTIVES AND ACTIVITIES

Grant Making

The RCC does not make grants from its own funds or reserves. Grant programmes are delivered on behalf of partners, including local authorities.

Where this is the case, policy on grants, including eligibility, application processes and transparency are agreed on a by case-by-case basis with the funder.

Where grant funds are held by the RCC, they are held as restricted funds and detailed as such in the annual accounts.

Volunteers

The RCC does not routinely use volunteers in the day-to-day operations of the charity.

STATEMENT OF DISCLOSURE TO AUDITORS

As far as the Trustees/Directors are aware there is no relevant audit information of which the charitable companies' auditors are unaware. Additionally, the Trustees/Directors have taken all the necessary steps that they ought to have taken as Trustees/Directors in order to make themselves aware of all relevant audit information and to establish that the charitable companies' auditors are aware of that information.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

ACHIEVEMENT AND PERFORMANCE

Achievement and Performance

Little Cup of Joy -

The RCC continued to deliver this self-funded project aimed at reducing loneliness and isolation through the mobile provision of a barista style coffee van. The project delivered sessions across rural communities in both Leicestershire and Rutland.

Warm, Optimistic and Well -

Delivery of the second year of this project which supports individuals with issues relating to fuel poverty, access to warm spaces and basic skills in relation fuel budgeting and usage.

Work, Live, Leicestershire -

In partnership with six other sector organisations delivered against a £4.2M European Social Investment Fund grant through the Building Better Opportunities Fund. Further extension of grant funding obtained to further increase activity in identifying and engaging with those furthest from the job and training market and located in rural areas. The project ended in June 2023.

Leicestershire Rural Partnership -

Contribute to the understanding of rural community needs and action on the LRP board led by Leicestershire County Council.

Halls Together -

Support, guidance and training provided to the 300 village halls and community buildings across Leicestershire and Rutland. In depth enquires numbered over 250 during the year. Bespoke training courses delivered to over 200 delegates.

Leicestershire and Rutland Playing Fields -

Provide support and advice to play and sport organisations. The Trustees of this charity decided to wind up the organisation in mid-2023. Assets belonging to the charity were transferred to the RCC.

Hinckley and Bosworth VCS Support -

Delivery of Voluntary Sector and Volunteer support services in Hinckley and Bosworth.

Hinckley and Bosworth Grants -

Distributed grants in excess of £70,000 to rural community projects across the Borough.

Community Woodlands in National Forest -

Working with the National Forest Company and utilising National Lottery funding to engage with rural communities to develop small woodland area in villages.

Harborough Community Development -

Engaging with communities in the Harborough District regarding community expansion, use of development contributions and the provision of community facilities.

Hinckley and Bosworth Mobile Hub -

Working in partnership with the local authority to take their statutory and non-statutory services out into rural communities.

Harborough HIRE (Helping Improve Rural Employability) -

Using Shared Prosperity Fund monies to engage with those furthest from the employment market to increase skills and opportunities for employment in the Harborough District.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

Oadby and Wigston HIRE (Helping Improve Rural Employability) -

Using Shared Prosperity Fund monies to engage with those furthest from the employment market to increase skills and opportunities for employment in the borough of Oadby and Wigston.

Multiply -

Partnering with Leicestershire County Council to delivery basic numeracy and maths skills to rural residents in the borough of Melton.

Fundraising activities

Individual projects undertaken by the RCC will generally have a set of output and outcome targets associated to them. Measurement and reporting of achievements vary depending on the requirements of the funder. However, the RCC will only undertake projects whose outcomes and outputs fit well with the overall objectives of the charity.

Reporting to funders and Trustees show that all projects met or exceeded set targets, thus meeting the objectives of the charity.

The RCC does not set an objective for fundraising. Projects are planned and funded on a full cost recovery basis wherever possible to ensure that the sustainability of the charity is protected.

Very low value donations are received in relation to the Little Cup of Joy project, which are used to further the activity in this area.

Investment Performance

The RCC continued to hold a Charities Ethical Investment portfolio with Church, Charities and Local Authorities Investment Management Ltd (CCLA) during this year. The value of investment increased in value by £22,200 during the year, which in the opinion of the trustees is consistent with the performance of other funds of similar risk rating and growth potential in the general market. The initial investment was made with the aim of gaining accumulated growth over the mid to long term, with a low to mid risk level. The trustees have decided to continue to maintain the investment as an accumulation fund, carrying the full value into the next financial year.

Holdings in Cirican LLP are valued at the original investment price of £3,000.

FINANCIAL REVIEW

Financial Position

The trustees consider the charity remains in a strong financial position and is able to continue to deliver its charitable objectives.

Principal Funding Sources

Income into the charity was broadly split between grants and contract or commissioned work, all of which the Trustees believe was charitable in nature.

Grant funding was received through DEFRA, Leicestershire County Council, the NHS, the National Forest and the National Lottery. The total funding from these sources is £179,204. Funded projects have varying end or renewal dates which are monitored by the Trustees.

Income through commissioned and contract delivery came from Cadent Gas Networks, Hinckley and Bosworth Borough Council, Harborough District Council, Oadby and Wigston Borough Council, Warwickshire Rural Community Council, the NHS, the Leicestershire and Rutland Playing Fields Association, Action for Communities in Rural England and Rutland Citizens Advice. Total income from these areas of charitable work was £353,987.

Investment Policy and Objectives

The Trustees have adopted a low to medium attitude to risk and have elected to invest some of its reserves in an ethical and balanced portfolio offered by CCLA. Other reserves are held in instant access, notice and fixed term accounts which provide a sufficient level of liquidity for the operation of the charitable company.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

FINANCIAL REVIEW

Reserves Policy

The RCC has identified that a minimum level of unrestricted reserve funds should be set to counterbalance trading uncertainty and produce a base level for stability. Additionally, a target level of unrestricted funds will also be set to allow for growth and for the RCC to take advantage of strategic development opportunities going forward. Holding unrestricted but designated reserves will also allow the RCC to make cash and market investments in order to generate revenue income to cover day to day operational expenses. Based on the operating budget set for 2024/25 the level of unrestricted funds was set as below.

Minimum Level

- Six months operating costs - £350,000
 - Cover for redundancy costs - £5,000
 - Contingent liabilities - £50,000
- Total - £405,000

Target Level

- Nine months operating costs - £525,000
 - Cover for redundancy costs - £5,000
 - Contingent liabilities - £50,000
- Total £580,000

Operating costs being defined as payroll costs plus direct purchases. Redundancy costs being the statutory level for all staff employed.

Designated funds are excluded from reserves as per the Charities Commission definition. The RCC Trustees have designated the following funds.

- Designated cash for investment £450,000
 - Designated strategic investment £25,000
- Total £475,000

Going Concern

The Trustees consider the charity remains in a strong financial position and is able to continue to deliver its charitable objectives whilst remaining a going concern.

Funds in Deficit

The Trustees do not consider any funds to be materially in deficit.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The Rural Community Council (Leicestershire and Rutland) is a company limited by guarantee and a registered charity.

The charitable company is governed by its Memorandum and Article of Association which sets out the objects and powers of the charitable company.

Recruitment and Appointment of New Trustees / Directors

Trustees joining the RCC receive a full induction into the governance and operational activities of the charity. Policies and procedures are adopted across the business, so Trustees receive the same information as the Executive and staff teams.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational Structure

The charitable company is governed by a Trustee Board which can accommodate between three and eleven Trustees. The Board selects a Chair and up to two vice chairs for each annual term at the AGM. Three Trustees are selected to serve on each of the sub committees, namely the Audit Committee and the Remuneration and Nominations Committee.

A maximum of eleven Trustees is allowed as below:

One representing Leicestershire County Council.

One representing Rutland County Council.

Up to nine elected from the membership.

Co-options are permitted up to the maximum of eleven Trustees in total.

The Trustees are also the non-executive directors who have overall control of the charity. Operational matters are delegated to the Executive Directors, of which there are two. Below this level there operates a flat management and delivery structure.

The RCC is a member of Action for Communities in Rural England (ACRE).

Induction and Training of New Trustees / Directors

Policies and procedures adopted for the induction and training of Trustees:

- Health and Safety Policy
- Equal Opportunities Policy
- Reserves Policy
- Financial Controls
- Scheme of Delegation
- RCC Staff Handbook

Risk Management

A risk register is maintained and constantly reviewed to minimise any risks to the charity assets

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03665974 (England and Wales)

Registered Charity number

1077645

Registered office

The Atkins
Lower Bond Street
Hinckley
Leicestershire
LE10 1QU

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

Trustees

Mr E Baines (resigned 1.6.2023)
Mrs P Crane
Mr P H Durban
Mr J H Flower
Mrs H J Fryer
Mrs J Martin
Mr A D Mortimer
Mr M J D Traynor OBE
Ms P Posnett
Mr C Fyfe (resigned 19.12.2023)
Ms L Stephenson (appointed 30.10.2023)

Jennifer Lady Gretton DCVO JP is the President of the charitable company.

The Trustees/Directors delegate the day-to-day management of the charitable company to two employed Directors (distinct from the Directors of the charitable company).

Mr K Butcher and Mr S Howlett are Executive Directors of the charitable company.

Company Secretary

Mr K Butcher

Auditors

Mark J Rees LLP Chartered Accountants
and Statutory Auditors
Granville Hall
Granville Road
Leicester
LE1 7RU

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of Rural Community Council (Leicestershire & Rutland) for the purposes of company law) are Responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

As 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.

AUDITORS

The auditors, Mark J Rees LLP Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

Approved by order of the board of trustees on 28 October 2024 and signed on its behalf by:

Mr M J D Traynor OBE - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Opinion

We have audited the financial statements of Rural Community Council (Leicestershire & Rutland) (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Our responsibilities for the audit of the financial statements

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

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

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISA's (UK).

We obtained an understanding of the legal and regulatory frameworks applicable to the charity and industry in which it operates through our general commercial experience. We determined that the following laws and regulations were most significant: FRS 102, Companies Act 2006 and Charities SORP (FRS 102).

We enquired of management concerning the charities policies and procedures relating to:

- the identification and compliance with laws and regulations.
- the detection and response to the risks of fraud.
- the internal controls inherent within the charity to mitigate fraud risk and non-compliance to laws and regulations.

We enquired of management, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.

We communicated relevant laws and regulations and potential areas of fraud to all audit team members. We remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We have determined that the principal risk areas where material irregularities could occur were related to posting manual journal entries to manipulate financial performance, income recognition and significant one-off or unusual transactions. We have identified that no manual journal entries were posted by management in the year and therefore no further work deemed necessary on this risk area.

Our audit procedures were designed to respond in particular to these identified risks (including non compliance with laws and regulations and fraud).

Our audit procedures included but were not limited to:

- A review of a sample of sales invoices from both income streams to ensure income has been accurately recorded and to confirm amounts are recognised in the correct period.
- A review of laws and regulations the charity is subject to, followed by compliance checks and discussion with management to ensure no instances of non compliance.

We did not identify any matters during the course of our work that indicated non-compliance with laws and regulations or relating to fraud.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Use of our report

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

Mr P Bott FCA (Senior Statutory Auditor)
for and on behalf of Mark J Rees LLP Chartered Accountants
and Statutory Auditors
Granville Hall
Granville Road
Leicester
LE1 7RU

30 October 2024

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	190,404	-	190,404	346,002
Other trading activities	3	275,987	78,000	353,987	261,286
Investment income	4	19,554	5	19,559	9,593
Total		485,945	78,005	563,950	616,881
EXPENDITURE ON					
Charitable activities	5				
Grants		651	81,034	81,685	157,308
Other		491,211	-	491,211	496,324
Total		491,862	81,034	572,896	653,632
Net gains/(losses) on investments		22,183	-	22,183	(3,453)
NET INCOME/(EXPENDITURE)		16,266	(3,029)	13,237	(40,204)
RECONCILIATION OF FUNDS					
Total funds brought forward		806,209	3,034	809,243	849,447
TOTAL FUNDS CARRIED FORWARD		822,475	5	822,480	809,243

The notes form part of these financial statements

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

BALANCE SHEET 31 MARCH 2024

	Notes	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	12	11,172	-	11,172	2,518
Investments	13	194,206	-	194,206	172,023
		<u>205,378</u>	<u>-</u>	<u>205,378</u>	<u>174,541</u>
CURRENT ASSETS					
Debtors	14	13,066	-	13,066	9,403
Prepayments and accrued income		3,695	-	3,695	1,539
Cash at bank		692,235	5	692,240	738,232
		<u>708,996</u>	<u>5</u>	<u>709,001</u>	<u>749,174</u>
CREDITORS					
Amounts falling due within one year	15	(91,899)	-	(91,899)	(114,472)
NET CURRENT ASSETS		<u>617,097</u>	<u>5</u>	<u>617,102</u>	<u>634,702</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>822,475</u>	<u>5</u>	<u>822,480</u>	<u>809,243</u>
NET ASSETS		<u>822,475</u>	<u>5</u>	<u>822,480</u>	<u>809,243</u>
FUNDS	17				
Unrestricted funds:					
General fund				822,475	806,209
Restricted funds				5	3,034
TOTAL FUNDS				<u>822,480</u>	<u>809,243</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 28 October 2024 and were signed on its behalf by:

Mr J H Flower - Trustee

The notes form part of these financial statements

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	1	<u>(50,538)</u>	<u>47,935</u>
Net cash (used in)/provided by operating activities		<u>(50,538)</u>	<u>47,935</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(15,013)	(322)
Sale of fixed asset investments		-	3,000
Interest received		<u>19,559</u>	<u>9,593</u>
Net cash provided by investing activities		<u>4,546</u>	<u>12,271</u>
Change in cash and cash equivalents in the reporting period		<u>(45,992)</u>	<u>60,206</u>
Cash and cash equivalents at the beginning of the reporting period		<u>738,232</u>	<u>678,026</u>
Cash and cash equivalents at the end of the reporting period		<u><u>692,240</u></u>	<u><u>738,232</u></u>

The notes form part of these financial statements

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2024

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024 £	2023 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	13,237	(40,204)
Adjustments for:		
Depreciation charges	6,360	1,907
(Gain)/losses on investments	(22,183)	3,453
Interest received	(19,559)	(9,593)
Increase in debtors	(5,819)	(3,758)
(Decrease)/increase in creditors	(22,574)	96,130
Net cash (used in)/provided by operations	(50,538)	47,935

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23 £	Cash flow £	At 31.3.24 £
Net cash			
Cash at bank	738,232	(45,992)	692,240
	<u>738,232</u>	<u>(45,992)</u>	<u>692,240</u>
Total	<u>738,232</u>	<u>(45,992)</u>	<u>692,240</u>

The notes form part of these financial statements

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

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

Expenditure

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

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

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee.

Tangible fixed assets

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

Fixtures and fittings	- 33% on cost
Motor vehicles	- 33% on cost
Computer equipment	- 33% on cost

Taxation

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

Fund accounting

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

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

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

Operating leases

Rental under operating leases is credited to income on an accruals basis and rental expenditure under operating leases are charged to the Statement of Financial Activities on the accruals basis.

Grants Payable

Grants payable are accounted for on the accruals basis when the grant has been approved by the Trustees.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Going Concern

The trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

2. DONATIONS AND LEGACIES

	2024	2023
	£	£
Membership and donations	11,200	4,218
Grants	179,204	341,784
	<u>190,404</u>	<u>346,002</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

2. DONATIONS AND LEGACIES - continued

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

	2024	2023
	£	£
Leicestershire County Council	34,725	11,199
DEFRA/ACRE	47,215	41,200
Leicestershire NHS	46,925	37,250
Hinckley & Bosworth Borough Council	-	4,000
VISTA - Will project	5,859	236,690
Playing Fields Association	-	2,145
Awareness	-	1,500
Market Bosworth PC	-	2,400
BrightSparks	-	3,000
Houghton PC	-	2,400
National Forest	35,480	-
Rutland CAB	9,000	-
	<u>179,204</u>	<u>341,784</u>

3. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Services and project work	<u>353,987</u>	<u>261,286</u>

4. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	<u>19,559</u>	<u>9,593</u>

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 6)
	£
Grants	<u>81,685</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

6. GRANTS PAYABLE

	£
Community Volunteer Fund	7,281
Make A Difference	65,143
Coronation	8,609
NHS	602
Scouts	50
	<u>81,685</u>

7. SUPPORT COSTS

	Support costs £	Governance costs £	Totals £
Other resources expended	<u>485,398</u>	<u>5,813</u>	<u>491,211</u>

Support costs, included in the above, are as follows:

	2024 Other resources expended £	2023 Total activities £
Wages	372,831	371,151
Social security	24,732	25,364
Pensions	18,690	19,092
Service delivery costs	9,617	9,300
Vehicle expenses	4,438	2,134
Rates and water	4,993	8,513
Insurance	6,343	5,123
Rent and service charge	9,984	21,770
Computer costs	7,363	10,526
Postage and stationery	1,332	3,598
Sundries	1,324	1,268
Legal fees	7,723	1,960
Travel and subsistence	9,668	9,118
Depreciation of tangible fixed assets	6,360	1,907
Auditors' remuneration	5,813	5,500
	<u>491,211</u>	<u>496,324</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

8. NET INCOME/(EXPENDITURE)

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

	2024	2023
	£	£
Auditors' remuneration	5,813	5,500
Depreciation - owned assets	6,361	1,907
Hire of plant and machinery	9,617	9,300
Other operating leases	4,438	2,134
	<u>26,229</u>	<u>18,841</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustee's remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no Trustee's expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

10. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	372,831	371,151
Social security costs	24,732	25,364
Other pension costs	18,690	19,092
	<u>416,253</u>	<u>415,607</u>

Total remuneration in relation to Key Management Personnel, included within the figures above, amounts to £88,654 (2023: £82,131).

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

	2024	2023
Average number of employees	<u>16</u>	<u>17</u>

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

The charitable company operates a pension scheme for the benefit of employees. The assets of the scheme are held separately from those of the company within independently administered funds. Contributions are charged to the Statement of Financial Activity in the period to which they relate. The charge for the year was £18,690 (2023: £19,092).

**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - 31 MARCH 2023

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	346,002	-	346,002
Other trading activities	136,286	125,000	261,286
Investment income	9,586	7	9,593
Total	<u>491,874</u>	<u>125,007</u>	<u>616,881</u>
EXPENDITURE ON			
Charitable activities			
Grants	4,388	152,920	157,308
Other	<u>496,005</u>	<u>319</u>	<u>496,324</u>
Total	<u>500,393</u>	<u>153,239</u>	<u>653,632</u>
Net gains/(losses) on investments	<u>(3,453)</u>	<u>-</u>	<u>(3,453)</u>
NET INCOME/(EXPENDITURE)	(11,972)	(28,232)	(40,204)
RECONCILIATION OF FUNDS			
Total funds brought forward	818,181	31,266	849,447
TOTAL FUNDS CARRIED FORWARD	<u><u>806,209</u></u>	<u><u>3,034</u></u>	<u><u>809,243</u></u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

12. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2023	12,465	15,295	10,783	38,543
Additions	-	12,995	2,020	15,015
At 31 March 2024	12,465	28,290	12,803	53,558
DEPRECIATION				
At 1 April 2023	12,155	15,295	8,575	36,025
Charge for year	194	4,332	1,835	6,361
At 31 March 2024	12,349	19,627	10,410	42,386
NET BOOK VALUE				
At 31 March 2024	116	8,663	2,393	11,172
At 31 March 2023	310	-	2,208	2,518

13. FIXED ASSET INVESTMENTS

	Listed investments £	Unlisted investments £	Totals £
MARKET VALUE			
At 1 April 2023	169,023	3,000	172,023
Revaluations	22,183	-	22,183
At 31 March 2024	191,206	3,000	194,206
NET BOOK VALUE			
At 31 March 2024	191,206	3,000	194,206
At 31 March 2023	169,023	3,000	172,023

There were no investment assets outside the UK.

Cost or valuation at 31 March 2024 is represented by:

	Listed investments £	Unlisted investments £	Totals £
Valuation in 2024	191,206	-	191,206
Cost	-	3,000	3,000
	191,206	3,000	194,206

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	11,163	6,000
Other debtors	1,903	3,403
	<u>13,066</u>	<u>9,403</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	496	429
VAT	4,611	5,024
Other creditors	91	4,268
Accruals and deferred income	86,701	104,751
	<u>91,899</u>	<u>114,472</u>

16. LEASING AGREEMENTS

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

	2024	2023
	£	£
Within one year	6,344	6,344
Between one and five years	23,790	30,134
	<u>30,134</u>	<u>36,478</u>

Lease payments of £6,344 (2023: £12,023) were recognised as an expense during the year.

17. MOVEMENT IN FUNDS

	At 1.4.23	Net movement in funds	At 31.3.24
	£	£	£
Unrestricted funds			
General fund	806,209	16,266	822,475
Restricted funds			
HBBC VCS Commissioning Fund	3,034	(3,029)	5
TOTAL FUNDS	<u>809,243</u>	<u>13,237</u>	<u>822,480</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	485,945	(491,862)	22,183	16,266
Restricted funds				
HBBC VCS Commissioning Fund	78,005	(81,034)	-	(3,029)
TOTAL FUNDS	<u>563,950</u>	<u>(572,896)</u>	<u>22,183</u>	<u>13,237</u>

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	818,181	(11,972)	806,209
Restricted funds			
HBBC VCS Commissioning Fund	31,266	(28,232)	3,034
TOTAL FUNDS	<u>849,447</u>	<u>(40,204)</u>	<u>809,243</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	491,874	(500,393)	(3,453)	(11,972)
Restricted funds				
HBBC VCS Commissioning Fund	125,007	(153,239)	-	(28,232)
TOTAL FUNDS	<u>616,881</u>	<u>(653,632)</u>	<u>(3,453)</u>	<u>(40,204)</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2024

17. MOVEMENT IN FUNDS - continued

Restricted Funds

HBBC VCS Commissioning

Hinckley and Bosworth Borough Council (HBBC) commission the RCC to administer and distribute grants and commissioning monies to the Voluntary and Community Sector (VCS) across the Borough. This currently involves administration of a number of small grant schemes, namely, Making a Difference (MAD), Community Volunteer Fund (CVF), Warm Spaces Grant (WSG) and Coronation Grant (CG). The RCC market and promote the grants, undertake all administration of the applications, and make payments direct to beneficiaries. Decisions regarding grants are made by a grants panel, chaired by an elected member of HBBC and consisting of members of the VCS, including the RCC.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024

	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Membership and donations	11,200	-	11,200	4,218
Grants	179,204	-	179,204	341,784
	<u>190,404</u>	<u>-</u>	<u>190,404</u>	<u>346,002</u>
Other trading activities				
Services and project work	275,987	78,000	353,987	261,286
Investment income				
Deposit account interest	19,554	5	19,559	9,593
	<u>485,945</u>	<u>78,005</u>	<u>563,950</u>	<u>616,881</u>
Total incoming resources				
EXPENDITURE				
Charitable activities				
Grants to institutions	651	81,034	81,685	157,308
Support costs				
Support costs				
Wages	372,831	-	372,831	371,151
Social security	24,732	-	24,732	25,364
Pensions	18,690	-	18,690	19,092
Service delivery costs	9,617	-	9,617	9,300
Vehicle expenses	4,438	-	4,438	2,134
Rates and water	4,993	-	4,993	8,513
Insurance	6,343	-	6,343	5,123
Rent and service charge	9,984	-	9,984	21,770
Computer costs	7,363	-	7,363	10,526
Postage and stationery	1,332	-	1,332	3,598
Sundries	1,324	-	1,324	1,268
Legal fees	7,723	-	7,723	1,960
Travel and subsistence	9,668	-	9,668	9,118
Depreciation of tangible fixed assets	6,360	-	6,360	1,907
	<u>485,398</u>	<u>-</u>	<u>485,398</u>	<u>490,824</u>
Governance costs				
Auditors' remuneration	5,813	-	5,813	5,500

This page does not form part of the statutory financial statements

**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024**

	Unrestricted funds £	Restricted funds £	2024 Total funds £	2023 Total funds £
Total resources expended	<u>491,862</u>	<u>81,034</u>	<u>572,896</u>	<u>653,632</u>
Net (expenditure)/income before gains and losses	(5,917)	(3,029)	(8,946)	(36,751)
Realised recognised gains and losses				
Realised gains/(losses) on fixed asset investments	<u>22,183</u>	<u>-</u>	<u>22,183</u>	<u>(3,453)</u>
Net (expenditure)/income	<u>16,266</u>	<u>(3,029)</u>	<u>13,237</u>	<u>(40,204)</u>

This page does not form part of the statutory financial statements

Accounts

REGISTERED COMPANY NUMBER: 03665974 (England and Wales)
REGISTERED CHARITY NUMBER: 1077645

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

Mark J Rees LLP Chartered Accountants
and Statutory Auditors
Granville Hall
Granville Road
Leicester
LE1 7RU

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

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RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charitable Objects of the Rural Community Council (Leicestershire & Rutland) (RCC) are to further any charitable purpose or purposes for the benefit of those who are resident or work in the rural areas and communities of Leicestershire and Rutland.

More specifically the RCC's mission is to ensure that all those who work and live in rural communities in Leicestershire and Rutland are provided with access to a range of opportunities, services and facilities, which are sustainable and inclusive to all and are empowered to influence and manage their future.

The trustees believe that all the activities undertaken by the charity are for the public benefit, and as part of their role as trustees for the organisation ensure that future and proposed activities fit with the purposes of the charity, and that the charitable activities remain relevant to the beneficiaries.

Trustee can confirm that they have had regard for the Charity Commission Public Benefit guides as below:

- The Public Benefit Requirement (PB1)
- Running a Charity (PB2)
- Reporting (PB3)

Key elements of the RCC's work designed to meet the charitable activity outlined above can be summarised as;

Community Wellbeing

- Outreach programmes to tackle isolation and loneliness.
- Provision of outreach and engagement services to local authorities, the NHS and clinical commissioning groups.
- Encourage rural equality in service delivery.
- Covid response and support.
- Provision of safety and awareness training.

Rural Economy

- Delivery of support programmes for those seeking employment and training.
- Promote economic development and investment across rural areas of Leicestershire and Rutland.
- Provide a voice for rural businesses and communities.
- Encourage rural equality in investment and infrastructure.

Facilities and Services

- Provide support and guidance to community owned buildings and facilities.

Community Engagement and Voluntary Sector Support

- Provision of voluntary sector infrastructural services and support.
- Distribution of third party grants to voluntary sector.

Representation

- Representation of local communities into Government, local authority and other consultations.

Social investment

Social investment does not form a material part of the charitable and investment activities of the RCC.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES

Grant Making

The RCC does not make grants from its own funds or reserves. Grant programmes are delivered on behalf of partners, including local authorities.

Where this is the case, policy on grants, including eligibility, application processes and transparency are agreed on a case-by-case basis with the funder.

Where grant funds are held by the RCC, they are held as restricted funds and detailed as such in the annual accounts.

Volunteers

The RCC does not routinely use volunteers in the day-to-day operations of the charity.

STATEMENT OF DISCLOSURE TO AUDITORS

As far as the trustees/directors are aware there is no relevant audit information of which the charitable companies auditors are unaware. Additionally, the trustees/directors have taken all the necessary steps that they ought to have taken as trustees/directors in order to make themselves aware of all relevant audit information and to establish that the charitable companies auditors are aware of that information.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

ACHIEVEMENT AND PERFORMANCE

Achievement and Performance

Rural Coffee Connect

The RCC continued to deliver this self-funded project aimed at reducing loneliness and isolation through the mobile provision of a barista style coffee van. The project delivered sessions in rural communities in both Leicestershire and Rutland, engaging with more than 2000 individuals.

Changing Connections

Delivery of the second year of a project to support individuals to improve the local connections and support systems they have in place, reducing the demand on the NHS, emergency services and other organisations. Individuals supported in this year exceed 50, against an initial target of 37.

Warm, Optimistic and Welcome

A new project launched to support individuals with fuel poverty, access to warm spaces and basic skills in relation to fuel budgeting and usage.

Work. Live. Leicestershire

In partnership with six other sector organisations delivered against a £4.2M European Social Investment Fund grant through the Building Better Opportunities fund. Further extension of grant funding obtained to further increase activity in identifying and engaging with those furthest from the job and training market and located in rural areas. Over 400 new participants enrolled into the programme during the year.

Leicestershire Rural Partnership

Contribute to the understanding of rural community needs and action on the LRP board led by Leicestershire County Council.

Leicestershire and Leicester Enterprise Partnership

Engagement and support of the LLEP to encourage spend and investment in rural areas.

Halls Together

Support, guidance and training provided to the 300 village halls and community buildings across Leicestershire and Rutland. In depth enquiries numbered over 250 during the year. Bespoke training courses delivered to over 200 delegates.

Leicestershire and Rutland Playing Fields

Provide support and advice to over 100 community play and sport organisations.

Hinckley and Bosworth VCS support

Delivered Voluntary Sector and Volunteer support services in Hinckley and Bosworth.

Hinckley and Bosworth Grants

Distributed grants in excess of £30,000 to rural community projects across the Borough.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

ACHIEVEMENT AND PERFORMANCE

Fundraising activities

Individual projects undertaken by the RCC will generally have a set of output and outcome targets associated to them. Measurement and reporting of achievements vary depending on the requirements of the funder. However, the RCC will only undertake projects whose outcomes and outputs fit well with the overall objectives of the charity.

Reporting to funders and trustees show that all projects met or exceeded set targets, thus meeting the objectives of the charity.

The RCC does not set an objective for fundraising. Projects are planned and funded on a full cost recovery basis wherever possible to ensure that the sustainability of the charity is protected.

Very low value donations are received during the year in relation to the Rural Coffee Connect project, which are used to further the activity in this area.

Investment performance

The RCC continues to hold a Charities Ethical Investment portfolio with Church, Charities and Local Authorities Investment Management Ltd (CCLA) during this year. The value of investments has not grown during the year, which in the opinion of the trustees is consistent with the performance of other funds of similar risk rating and growth potential in the general market. The initial investment was made with the aim of gaining accumulated growth over the mid to long term, with a low to mid risk level.

Holdings in Cirican LLP are valued at the original investment price of £3,000.

FINANCIAL REVIEW

Financial position

The trustees consider the charity remains in a strong financial position and is able to continue to deliver its charitable objectives.

Principal funding sources

European funding delivered through the Building Opportunities Programme and managed by ViSTA represent the largest single source of charity income at £245,000. This funding is used to deliver a core project, Work. Live. Leicestershire which was scheduled to run to the end of the financial year.

Other grant funding is received through DEFRA, Leicestershire County Council, the NHS, the National Forest and Cadent Gas. The total funding from these sources is £205,000. Funded projects have varying end or renewal dates which are monitored by the trustees.

The charity also receives income through commissioned and contract delivery, which is subject to differing contract periods. Total income from this area of charitable work was £128,000.

Investment policy and objectives

The trustees have adopted a low to medium attitude to risk and have elected to invest some of its reserves in an ethical and balanced portfolio offered by CCLA. Other reserves are held in instant access, notice and fixed term accounts which provide a sufficient level of liquidity for the operation of the charitable company.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

FINANCIAL REVIEW

Reserves policy

The RCC has identified that a minimum level of unrestricted reserve funds should be set to counterbalance trading uncertainty and produce a base level for stability. Additionally, a target level of unrestricted funds will also be set to allow for growth and for the RCC to take advantage of strategic development opportunities going forward. Holding unrestricted but designated reserves will also allow the RCC to make cash and market investments in order to generate revenue income to cover day to day operational expenses. Based on the operating budget set for 2022/23 the level of unrestricted funds was set as below.

Minimum Level

- Six months operating costs - £245,000
 - Cover for redundancy costs - £ 30,000
 - Contingent liabilities - £ 30,000
- Total - £305,000

Target Level

- Nine months operating costs - £370,000
 - Cover for redundancy costs - £ 30,000
 - Contingent liabilities - £ 30,000
- Total £430,000

Operating costs being defined as payroll costs plus direct purchases. Redundancy costs being the statutory level for all staff employed.

Restricted reserves at the year end were:

- HBBC VCS - £3,034

Designated funds are excluded from reserves as per the Charities Commission definition. The RCC trustees have designated the following funds

- Designated cash for investment - £415,000
 - Designated strategic investment - £ 55,000
- Total - £470,000

As at 31 March 2023, the total funds held is £809,243 (2022: £849,447).

Going concern

The trustees consider the charity remains in a strong financial position and is able to continue to deliver its charitable objectives whilst remaining a going concern.

Funds in deficit

The trustees do not consider any funds to be materially in deficit.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Rural Community Council (Leicestershire and Rutland) is a company limited by guarantee and a registered charity.

The charitable company is governed by its Memorandum and Article of Association which sets out the objects and powers of the charitable company.

In the event of the Company being wound up members will be required to contribute an amount not exceeding £10.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new Trustees / Directors

Trustees joining the RCC receive a full induction into the governance and operational activities of the charity. Policies and procedures are adopted across the business, so trustees receive the same information as the Executive and staff teams.

Organisational structure

The charitable company is governed by a Trustee Board which can accommodate between 3 and 16 trustees. The Board selects a Chair, 2 vice chairs and a Treasurer for each annual term at the AGM.

A maximum of 16 trustees is allowed as below:

- 1 Representing Leicestershire County Council
- 1 Representing Rutland County Council

Up to 14 elected from the membership.

Co-options are permitted up to the maximum of 16 trustees in total.

The trustees are also the non-executive directors who have overall control of the Charity. Operational matters are delegated to the Executive directors, of which there are two. Below this level there operates a flat management and delivery structure.

The RCC is a member of Action for Communities in Rural England (ACRE)

Induction and training of new Trustees / Directors

Policies and procedures adopted for the induction and training of trustees:

- Health and Safety Policy
- Equal Opportunities Policy
- Reserves Policy
- Financial Controls
- Scheme of Delegation
- RCC Staff Handbook

Risk Management

A risk register is maintained and constantly reviewed to minimise any risks to the charity assets.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03665974 (England and Wales)

Registered Charity number

1077645

Registered office

The Atkins
Lower Bond Street
Hinckley
Leicestershire
LE10 1QU

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Trustees

Mr E Baines (resigned 1.6.2023)
Mrs P Crane
Mr P H Durban
Mr J H Flower
Mrs H J Fryer
Mrs J Martin
Mr A D Mortimer
Mr M J D Traynor OBE
Ms P Posnett
Mr C Fyfe (appointed 31.10.2022)

Jennifer Lady Gretton DCVO JP is the President of the charitable company.

The Trustees/Directors delegate the day-to-day management of the charitable company to two employed Directors (distinct from the Directors of the charitable company).

Mr K Butcher and Mr S Howlett are Executive Directors of the charitable company.

Company Secretary

Mr K Butcher

Auditors

Mark J Rees LLP Chartered Accountants
and Statutory Auditors
Granville Hall
Granville Road
Leicester
LE1 7RU

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Rural Community Council (Leicestershire & Rutland) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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.

AUDITORS

The auditors, Mark J Rees LLP Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

Approved by order of the board of trustees on 30 October 2023 and signed on its behalf by:

Mr M J D Traynor OBE - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Opinion

We have audited the financial statements of Rural Community Council (Leicestershire & Rutland) (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Our responsibilities for the audit of the financial statements

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

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISA's (UK).

We obtained an understanding of the legal and regulatory frameworks applicable to the charity and industry in which it operates through our general commercial experience. We determined that the following laws and regulations were most significant: FRS 102, Companies Act 2006 and Charities SORP (FRS 102).

We enquired of management concerning the charities policies and procedures relating to:

- the identification and compliance with laws and regulations.
- the detection and response to the risks of fraud.
- the internal controls inherent within the charity to mitigate fraud risk and non-compliance to laws and regulations.

We enquired of management, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.

We communicated relevant laws and regulations and potential areas of fraud to all audit team members. We remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We have determined that the principal risk areas where material irregularities could occur were related to posting manual journal entries to manipulate financial performance, income recognition and significant one-off or unusual transactions.

Our audit procedures were designed to respond in particular to these identified risks (including non compliance with laws and regulations and fraud).

Our audit procedures included but were not limited to:

- A review of a sample of sales invoices from both income streams to ensure income has been accurately recorded and to confirm amounts are recognised in the correct period.
- A review of laws and regulations the charity is subject to, followed by compliance checks and discussion with management to ensure no instances of non compliance.
- Addressing the risks of fraud through management override of controls by performing journal entry test.

We did not identify any matters during the course of our work that indicated non-compliance with laws and regulations or relating to fraud.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Use of our report

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

Mr P Bott FCA (Senior Statutory Auditor)
for and on behalf of Mark J Rees LLP Chartered Accountants
and Statutory Auditors
Granville Hall
Granville Road
Leicester
LE1 7RU

10 November 2023

**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

		Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	346,002	-	346,002	316,600
Other trading activities	3	136,286	125,000	261,286	198,118
Investment income	4	9,586	7	9,593	7,526
Total		491,874	125,007	616,881	522,244
EXPENDITURE ON					
Charitable activities	5				
Grants		4,388	152,920	157,308	47,350
Other		496,005	319	496,324	395,913
Total		500,393	153,239	653,632	443,263
Net gains/(losses) on investments		(3,453)	-	(3,453)	(2,524)
NET INCOME/(EXPENDITURE)		(11,972)	(28,232)	(40,204)	76,457
RECONCILIATION OF FUNDS					
Total funds brought forward		818,181	31,266	849,447	772,990
TOTAL FUNDS CARRIED FORWARD		806,209	3,034	809,243	849,447

The notes form part of these financial statements

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

BALANCE SHEET 31 MARCH 2023

	Notes	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	12	2,518	-	2,518	4,103
Investments	13	172,023	-	172,023	178,476
		<u>174,541</u>	<u>-</u>	<u>174,541</u>	<u>182,579</u>
CURRENT ASSETS					
Debtors	14	9,403	-	9,403	5,595
Prepayments and accrued income		1,539	-	1,539	1,589
Cash at bank		735,198	3,034	738,232	678,026
		<u>746,140</u>	<u>3,034</u>	<u>749,174</u>	<u>685,210</u>
CREDITORS					
Amounts falling due within one year	15	(114,472)	-	(114,472)	(18,342)
NET CURRENT ASSETS		<u>631,668</u>	<u>3,034</u>	<u>634,702</u>	<u>666,868</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>806,209</u>	<u>3,034</u>	<u>809,243</u>	<u>849,447</u>
NET ASSETS		<u>806,209</u>	<u>3,034</u>	<u>809,243</u>	<u>849,447</u>
FUNDS	17				
Unrestricted funds:					
General fund				806,209	818,181
Restricted funds				3,034	31,266
TOTAL FUNDS				<u>809,243</u>	<u>849,447</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 30 October 2023 and were signed on its behalf by:

Mr J H Flower - Trustee

The notes form part of these financial statements

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	47,935	64,066
Net cash provided by operating activities		47,935	64,066
Cash flows from investing activities			
Purchase of tangible fixed assets		(322)	(3,979)
Purchase of fixed asset investments		-	(175,000)
Sale of fixed asset investments		3,000	-
Interest received		9,593	7,526
Net cash provided by/(used in) investing activities		12,271	(171,453)
Change in cash and cash equivalents in the reporting period		60,206	(107,387)
Cash and cash equivalents at the beginning of the reporting period		678,026	785,413
Cash and cash equivalents at the end of the reporting period		738,232	678,026

The notes form part of these financial statements

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2023

1. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(40,204)	76,457
Adjustments for:		
Depreciation charges	1,907	6,506
Losses on investments	3,453	2,524
Interest received	(9,593)	(7,526)
(Increase)/decrease in debtors	(3,758)	3,739
Increase/(decrease) in creditors	96,130	(17,634)
Net cash provided by operations	47,935	64,066

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank	678,026	60,206	738,232
	678,026	60,206	738,232
Total	678,026	60,206	738,232

The notes form part of these financial statements

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

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

Expenditure

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

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

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee.

Tangible fixed assets

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

Fixtures and fittings	- 33% on cost
Motor vehicles	- 33% on cost
Computer equipment	- 33% on cost

Taxation

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

Fund accounting

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

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

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

Operating leases

Rental under operating leases is credited to income on an accruals basis and rental expenditure under operating leases are charged to the Statement of Financial Activities on the accruals basis.

Grants Payable

Grants payable are accounted for on the accruals basis when the grant has been approved by the Trustees.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Going Concern

The trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

2. DONATIONS AND LEGACIES

	2023	2022
	£	£
Membership and donations	4,218	4,538
Grants	341,784	312,062
	346,002	316,600

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

2. DONATIONS AND LEGACIES - continued

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

	2023	2022
	£	£
Leicestershire County Council	11,199	44,059
DEFRA/ACRE	41,200	42,200
Leicestershire NHS	37,250	27,561
Hinckley & Bosworth Borough Council	4,000	-
VISTA - Will project	236,690	149,297
Playing Fields Association	2,145	-
National Lottery Community Fund	-	36,413
Coronavirus Job Retention Scheme	-	6,977
National Association for Voluntary and Community Action	-	3,000
Awareness	1,500	4,955
Market Bosworth PC	2,400	(2,400)
BrightSparks	3,000	-
Houghton PC	2,400	-
	<u>341,784</u>	<u>312,062</u>

3. OTHER TRADING ACTIVITIES

	2023	2022
	£	£
Services and project work	<u>261,286</u>	<u>198,118</u>

4. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>9,593</u>	<u>7,526</u>

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 6) £
Grants	<u>157,308</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

6. GRANTS PAYABLE

	£
Community Volunteer Fund	101,432
Make A Difference	18,128
Coronation	6,760
Warm Spaces	26,600
NHS	4,388
	<u>157,308</u>

7. SUPPORT COSTS

	Support costs £	Governance costs £	Totals £
Other resources expended	<u>490,824</u>	<u>5,500</u>	<u>496,324</u>

Support costs, included in the above, are as follows:

	2023 Other resources expended £	2022 Total activities £
Wages	371,151	289,834
Social security	25,364	17,837
Pensions	19,092	14,117
Service delivery costs	9,300	13,065
Vehicle expenses	2,134	1,789
Rates and water	8,513	3,560
Insurance	5,123	4,797
Rent and service charge	21,770	21,877
Computer costs	10,526	8,506
Postage and stationery	3,598	3,327
Sundries	1,268	1,926
Legal fees	1,960	181
Travel and subsistence	9,118	3,824
Depreciation of tangible fixed assets	1,907	6,506
Auditors' remuneration	5,500	4,767
	<u>496,324</u>	<u>395,913</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

8. NET INCOME/(EXPENDITURE)

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

	2023	2022
	£	£
Auditors' remuneration	5,500	4,767
Depreciation - owned assets	1,907	6,505
Hire of plant and machinery	9,300	13,065
Other operating leases	2,134	1,789
	<u>18,841</u>	<u>26,126</u>

9. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

There were no Trustee's expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

10. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	371,151	289,834
Social security costs	25,364	17,837
Other pension costs	19,092	14,117
	<u>415,607</u>	<u>321,788</u>

Total remuneration in relation to Key Management Personnel, included within the figures above, amounts to £82,131 (2022: £76,720)

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

	2023	2022
Average number of employees	<u>17</u>	<u>14</u>

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

The charitable company operates a pension scheme for the benefit of employees. The assets of the scheme are held separately from those of the company within independently administered funds. Contributions are charged to the Statement of Financial Activity in the period to which they relate. The charge for the year was £19,092 (2022: £14,117).

**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - 31 MARCH 2022

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	295,767	20,833	316,600
Other trading activities	119,505	78,613	198,118
Investment income	7,523	3	7,526
Total	<u>422,795</u>	<u>99,449</u>	<u>522,244</u>
EXPENDITURE ON			
Charitable activities			
Grants	-	47,350	47,350
Other	343,217	52,696	395,913
Total	<u>343,217</u>	<u>100,046</u>	<u>443,263</u>
Net gains/(losses) on investments	<u>(2,524)</u>	<u>-</u>	<u>(2,524)</u>
NET INCOME/(EXPENDITURE)	77,054	(597)	76,457
Transfers between funds	<u>(31,863)</u>	<u>31,863</u>	<u>-</u>
Net movement in funds	45,191	31,266	76,457
RECONCILIATION OF FUNDS			
Total funds brought forward	772,990	-	772,990
TOTAL FUNDS CARRIED FORWARD	<u><u>818,181</u></u>	<u><u>31,266</u></u>	<u><u>849,447</u></u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

12. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2022	12,355	15,295	10,571	38,221
Additions	110	-	212	322
At 31 March 2023	12,465	15,295	10,783	38,543
DEPRECIATION				
At 1 April 2022	11,902	15,295	6,921	34,118
Charge for year	253	-	1,654	1,907
At 31 March 2023	12,155	15,295	8,575	36,025
NET BOOK VALUE				
At 31 March 2023	310	-	2,208	2,518
At 31 March 2022	453	-	3,650	4,103

13. FIXED ASSET INVESTMENTS

	Listed investments £	Unlisted investments £	Totals £
MARKET VALUE			
At 1 April 2022	172,476	6,000	178,476
Disposals	-	(3,000)	(3,000)
Revaluations	(3,453)	-	(3,453)
At 31 March 2023	169,023	3,000	172,023
NET BOOK VALUE			
At 31 March 2023	169,023	3,000	172,023
At 31 March 2022	172,476	6,000	178,476

There were no investment assets outside the UK.

Cost or valuation at 31 March 2023 is represented by:

	Listed investments £	Unlisted investments £	Totals £
Valuation in 2023	169,023	-	169,023
Cost	-	3,000	3,000
	169,023	3,000	172,023

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

13. FIXED ASSET INVESTMENTS - continued

The unlisted investment was originally recognised at £6,000 with a £3,000 deferred payment classed as a creditor. The deferred payment is no longer applicable and therefore the unlisted investment is now recognised at the original cost of £3,000.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	6,000	-
Other debtors	3,403	5,595
	<u>9,403</u>	<u>5,595</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade creditors	429	93
VAT	5,024	5,747
Other creditors	4,268	3,812
Accruals and deferred income	104,751	8,690
	<u>114,472</u>	<u>18,342</u>

16. LEASING AGREEMENTS

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

	2023	2022
	£	£
Within one year	6,344	13,785
Between one and five years	30,134	3,446
	<u>36,478</u>	<u>17,231</u>

Lease payments of £12,023 (2022: 14,233) were recognised as an expense during the year.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

17. MOVEMENT IN FUNDS

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	818,181	(11,972)	806,209
Restricted funds			
HBBC VCS Commissioning Fund	31,266	(28,232)	3,034
TOTAL FUNDS	849,447	(40,204)	809,243

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	491,874	(500,393)	(3,453)	(11,972)
Restricted funds				
HBBC VCS Commissioning Fund	125,007	(153,239)	-	(28,232)
TOTAL FUNDS	616,881	(653,632)	(3,453)	(40,204)

Comparatives for movement in funds

	At 1.4.21 £	Net movement in funds £	Transfers between funds £	At 31.3.22 £
Unrestricted funds				
General fund	772,990	77,054	(31,863)	818,181
Restricted funds				
Coffee Connect	-	(31,863)	31,863	-
HBBC VCS Commissioning Fund	-	31,266	-	31,266
	-	(597)	31,863	31,266
TOTAL FUNDS	772,990	76,457	-	849,447

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	422,795	(343,217)	(2,524)	77,054
Restricted funds				
Coffee Connect	20,833	(52,696)	-	(31,863)
HBBC VCS Commissioning Fund	78,616	(47,350)	-	31,266
	<u>99,449</u>	<u>(100,046)</u>	<u>-</u>	<u>(597)</u>
TOTAL FUNDS	<u>522,244</u>	<u>(443,263)</u>	<u>(2,524)</u>	<u>76,457</u>

Restricted Funds

HBBC VCS Commissioning

Hinckley and Bosworth Borough Council (HBBC) commission the RCC to administer and distribute grants and commissioning monies to the Voluntary and Community Sector (VCS) across the Borough. This currently involves administration of a number of small grant schemes, namely, Making a Difference (MAD), Community Volunteer Fund (CVF), Warm Spaces Grant (WSG) and Coronation Grant (CG). The RCC market and promote the grants, undertake all administration of the applications, and make payments direct to beneficiaries. Decisions regarding grants are made by a grants panel, chaired by an elected member of HBBC and consisting of members of the VCS, including the RCC.

18. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2023.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Membership and donations	4,218	-	4,218	4,538
Grants	341,784	-	341,784	312,062
	<u>346,002</u>	<u>-</u>	<u>346,002</u>	<u>316,600</u>
Other trading activities				
Services and project work	136,286	125,000	261,286	198,118
Investment income				
Deposit account interest	9,586	7	9,593	7,526
	<u>491,874</u>	<u>125,007</u>	<u>616,881</u>	<u>522,244</u>
Total incoming resources				
EXPENDITURE				
Charitable activities				
Grants to institutions	4,388	152,920	157,308	47,350
Support costs				
Support costs				
Wages	371,151	-	371,151	289,834
Social security	25,364	-	25,364	17,837
Pensions	19,092	-	19,092	14,117
Service delivery costs	8,981	319	9,300	13,065
Vehicle expenses	2,134	-	2,134	1,789
Rates and water	8,513	-	8,513	3,560
Insurance	5,123	-	5,123	4,797
Rent and service charge	21,770	-	21,770	21,877
Computer costs	10,526	-	10,526	8,506
Postage and stationery	3,598	-	3,598	3,327
Sundries	1,268	-	1,268	1,926
Legal fees	1,960	-	1,960	181
Travel and subsistence	9,118	-	9,118	3,824
Depreciation of tangible fixed assets	1,907	-	1,907	6,506
	<u>490,505</u>	<u>319</u>	<u>490,824</u>	<u>391,146</u>
Governance costs				
Auditors' remuneration	5,500	-	5,500	4,767

This page does not form part of the statutory financial statements

**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	Unrestricted funds £	Restricted funds £	2023 Total funds £	2022 Total funds £
Total resources expended	<u>500,393</u>	<u>153,239</u>	<u>653,632</u>	<u>443,263</u>
Net income before gains and losses	(8,519)	(28,232)	(36,751)	78,981
Realised recognised gains and losses				
Realised gains/(losses) on fixed asset investments	<u>(3,453)</u>	<u>-</u>	<u>(3,453)</u>	<u>(2,524)</u>
Net income	<u>(11,972)</u>	<u>(28,232)</u>	<u>(40,204)</u>	<u>76,457</u>

This page does not form part of the statutory financial statements

Accounts

REGISTERED COMPANY NUMBER: 03665974 (England and Wales)
REGISTERED CHARITY NUMBER: 1077645

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

Mark J Rees LLP Chartered Accountants
and Statutory Auditors
Granville Hall
Granville Road
Leicester
LE1 7RU

**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

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FOR THE YEAR ENDED 31 MARCH 2022**

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RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charitable Objects of the Rural Community Council (Leicestershire & Rutland) (RCC) are to further any charitable purpose or purposes for the benefit of those who are resident or work in the rural areas and communities of Leicestershire and Rutland.

More specifically the RCC's mission is to ensure that all those who work and live in rural communities in Leicestershire and Rutland are provided with access to a range of opportunities, services and facilities, which are sustainable and inclusive to all and are empowered to influence and manage their future.

The Trustees believe that all the activities undertaken by the charity are for the public benefit, and as part of their role as Trustees for the organisation ensure that future and proposed activities fit with the purposes of the charity, and that the charitable activities remain relevant to beneficiaries.

Trustees can confirm that they have had regard for the Charity Commission Public Benefit guides as below:

- The Public Benefit Requirement (PB1)
- Running a Charity (PB2)
- Reporting (PB3)

Key elements of the RCC's work designed to meet the charitable activity outlined above can be summarised as;

Community Wellbeing

- Outreach programmes to tackle isolation and loneliness.
- Delivery of suicide prevention and awareness training.
- Provision of outreach and engagement services to local Authorities, the NHS and clinical commissioning groups.
- Encourage rural equality in service delivery.
- Covid response and support.
- Provision of safety and awareness training.

Rural Economy

- Delivery of support programmes for those seeking employment and training.
- Promote economic development and investment across rural areas of Leicestershire and Rutland.
- Provide a voice for rural businesses and communities.
- Encourage rural equality in investment and infrastructure.

Facilities and Services

- Provide support and guidance to community owned buildings and facilities.

Community engagement and Voluntary Sector support

- Provision of voluntary sector infrastructural services and support.
- Distribution of 3rd party grants to voluntary sector.

Representation

- Representation of local communities into Government, local authority and other consultations.

Social investments

Social investment does not form a material part of the charitable and investment activities of the RCC.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

OBJECTIVES AND ACTIVITIES

Grant Making

The RCC does not make grants from its own funds or reserves. Grant programmes are delivered on behalf of partners, including local authorities.

Where this is the case, policy on grants, including eligibility, application processes and transparency are agreed on a case-by-case basis with the funder.

Where grant funds are held by the RCC, they are held as restricted funds and detailed as such in the annual accounts.

Volunteers

The RCC does not routinely utilise volunteers in the day to day operations of the charity.

STATEMENT OF DISCLOSURE TO AUDITORS

So far as the trustees/directors are aware there is no relevant audit information of which the charitable companies auditors are unaware. Additionally, the trustees/directors have taken all the necessary steps that they ought to have taken as trustees/directors in order to make themselves aware of all relevant audit information and to establish that the charitable companies auditors are aware of that information.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

ACHIEVEMENT AND PERFORMANCE

Achievement and Performance

Rural Coffee Connect

The RCC delivered the final year of a Lottery / RCC funded project aimed at reducing loneliness and isolation through the mobile provision of a barista style coffee van. The project delivered 98 sessions during the year across 19 communities, engaging with 1,595 individuals. In addition, 18 Loneliness Awareness training sessions were delivered to 85 delegates, and 13 face to face or virtual Mood Boosting sessions were delivered to 96 delegates.

Changing Connections

Delivery of the first year of a project to support to individuals improve the local connections and support systems they have in place, reducing the demand on the NHS, emergency services and other organisations. Individuals supported in this year exceed 50, against an initial target of 37.

Start a Conversation

Delivery of the third and final year of a Leicestershire County Council funded project aimed at raising the awareness and local ability to respond to individuals at risk of suicide. Activity included running 13 training sessions to over 186 delegates, social media promotion of suicide related messaging and input into local activities on World Suicide Prevention Day 2021. Further training was provided to local authorities, The Department for Work and Pensions and local school staff.

Covid response

Support with applications to Covid recovery funds made in partnership with 30 village halls. Provided continual updates to communities and community spaces on the regulations and guidance regarding Covid-19.

Online safety awareness

Delivery of on-line safety training courses to over 150 delegates in partnership with Leicestershire Police.

Work. Live. Leicestershire

In Partnership with 6 other sector organisations delivered against a £3.6M European Social Investment Fund grant through the Building Better Opportunities fund. Further extension of grant funding obtained to further increase activity in identifying and engaging with those furthest from the job and training market and located in rural areas. Over 400 new participants enrolled into programme during the year.

Leicestershire Rural Partnership

Represented all Leicestershire rural communities on the LRP board.

Leicestershire and Leicester Enterprise Partnership

Engagement and support of the LLEP to encourage spend and investment in rural areas.

Halls Together

Support, guidance and training provided to the 300 Village Halls and Community buildings across Leicestershire and Rutland. In depth enquires numbered 125 during the year. Five bespoke training courses delivered to 150 delegates.

Leicestershire and Rutland Playing Fields

Provide support and advice to over 100 community play and sport organisations.

Hinckley and Bosworth VCS support

Introduced new Voluntary Sector and Volunteer support services in Hinckley and Bosworth.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Hinckley and Bosworth Grants

Distributed £27,000 across 67 community buildings for covid recovery measures and made grants of £15,000 to 7 communities through the Making a Difference scheme.

DEFRA

Support provided to ACRE to enable delivery of the Village Hall Improvement Grant Fund, which awarded 123 grants totalling £2.8 million. In addition, provided rural intelligence to policy makers together with input into a wide range of Government consultations, including rural housing, rural proofing, rural business support and the wider Comprehensive Spending Review.

Fundraising activities

Individual projects undertaken by the RCC will generally have a set of output and outcome targets associated to them. Measurement and reporting of achievements varies depending on the requirements of the funder. However, the RCC will only undertake projects whose outcomes and outputs fit well with the overall objectives of the charity.

Reporting to funders and trustees show that all projects met or exceeded set targets, thus meeting the objectives of the charity.

The RCC does not set an objective for fundraising. Projects are planned and funded on a full cost recovery basis wherever possible to ensure that the sustainability of the charity is protected.

Very low value donations are received during the year in relation to the Rural Coffee Connect project, which are used to further the activity in this area.

Investment performance

The RCC moved some cash holdings into a Charities Ethical Investment portfolio with Church, Charities and Local Authorities Investment Management Ltd (CCLA) during this year. Early performance has been disappointing, with losses showing rather than growth. However the trustees view this portfolio as a mid to long term investment and anticipate growth in future years.

Holdings in Cirican LLP are valued at the original investment price of £6,000.

FINANCIAL REVIEW

Financial position

The trustees consider the charity remains in a strong financial position and is able to continue to deliver its charitable objectives.

Principal funding sources

European funding delivered through the Building Opportunities Programme and managed by ViSTA represent the largest single source of charity income at £152,000. This funding is used to deliver a core project, Work. Live. Leicestershire which is scheduled to run until a planned closure in April 2023. At this point, project costs will be removed from the organisation through reductions in staffing numbers.

Other project grant funding is received through DEFRA, Leicestershire County Council, the NHS and the National Lottery. The total funding from these sources is £170,000. Funded projects have varying end or renewal dates which are monitored by the trustees.

The charity also receives income through commissioned and contract delivery, which is subject to differing contract periods. Total income from this area of charitable work was £110,000.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW

Investment policy and objectives

The trustees have adopted a low to medium attitude to risk and elected to invest in an ethical and balanced portfolio offered by CCLA.

Reserves policy

The RCC has identified that a minimum level of unrestricted reserve funds should be set to counterbalance trading uncertainty and produce a base level for stability. Additionally, a target level of unrestricted funds will also be set to allow for growth and for the RCC to take advantage of strategic development opportunities going forward. Holding unrestricted but designated reserves will also allow the RCC to make cash and market investments in order to generate revenue income to cover day to day operational expenses. We have identified that the level of unrestricted funds should be set as below, based on the operational budget set for 2022/23:

Minimum Level

- Six months operating costs - £245,000
- Cover for redundancy costs - £ 25,000
- Contingent liabilities - £ 70,000

Total - £340,000

Target Level

- Nine months operating costs - £365,000
- Cover for redundancy costs - £ 25,000
- Contingent liabilities - £ 70,000

Total £460,000

Operating costs being defined as payroll costs plus direct purchases. Redundancy costs being the statutory level for all staff employed.

Restricted reserves at the year end were:

- HBBC VCS - £31,000

Designated funds are excluded from reserves as per the Charities Commission definition. The RCC Trustees have designated the following funds

- Designated cash for investment - £300,000
- Designated strategic investment - £ 45,000

Total £345,000

At 31 March 2022 the total funds held are £849,447 (2021: £772,990).

Going concern

The trustees consider the charity remains in a strong financial position and is able to continue to deliver its charitable objectives whilst remaining a going concern.

Funds in deficit

The trustees do not consider any funds to be materially in deficit.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Rural Community Council (Leicestershire and Rutland) is a company limited by guarantee and a registered charity.

The charitable company is governed by its Memorandum and Article of Association which sets out the objects and powers of the charitable company.

In the event of the Company being wound up members will be required to contribute an amount not exceeding £10.

Recruitment and appointment of new Trustees / Directors

Trustees joining the RCC receive a full induction into the governance and operational activities of the charity. Policies and procedures are adopted across the business, so trustees receive the same information as the Executive and staff teams.

Organisational structure

The charitable company is governed by a Trustee Board which can accommodate between 3 and 16 trustees. The Board select a Chair, 2 vice chairs and a Treasurer for each annual term at the AGM.

A maximum of 16 trustees is allowed as below:

- 1 Representing Leicestershire County Council
- 1 Representing Rutland County Council
- 1 Representing all district councils

Up to 13 elected from the membership.

Co-options are permitted up to the maximum of 16 trustees in total.

The trustees are also the non-executive directors who have overall control of the Charity. Operational matters are delegated to the Executive directors, of which there are two. Below this level the operates a flat management and delivery structure.

The RCC is a member of Action for Communities in Rural England (ACRE)

Induction and training of new Trustees / Directors

Policies and procedures adopted for the induction and training of trustees:

- Health and Safety Policy
- Equal Opportunities Policy
- Reserves Policy
- Financial Controls
- Scheme of Delegation
- RCC Staff handbook

Risk Management

A risk register is maintained and constantly reviewed to minimise any risks to the charity assets.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03665974 (England and Wales)

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Registered Charity number
1077645

Registered office
Unit S09
The Atkins
Lower Bond Street
Hinckley
Leicestershire
LE10 1QU

Trustees
Mr E Baines
Mrs P Crane
Mr P H Durban
Mr J H Flower
Mrs H J Fryer
Mrs J Martin
Mr A D Mortimer
Mr M J D Traynor OBE
Mrs H L Richardson (resigned 30.6.2021)
Ms P Posnett (appointed 10.5.2021)

Jennifer Lady Gretton DCVO JP is the President of the charitable company.

The Trustees/Directors delegate the day to day management of the charitable company to two employed Directors (distinct from the Directors of the charitable company).

Mr K Butcher and Mr S Howlett are Executive Directors of the charitable company.

Company Secretary
Mr K Butcher

Auditors
Mark J Rees LLP Chartered Accountants
and Statutory Auditors
Granville Hall
Granville Road
Leicester
LE1 7RU

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Rural Community Council (Leicestershire & Rutland) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

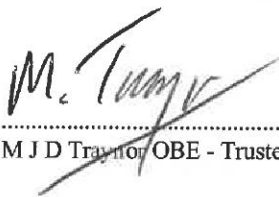
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Mark J Rees LLP Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

Approved by order of the board of trustees on and signed on its behalf by:



31/10/22

Mr M J D Traynor OBE - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Opinion

We have audited the financial statements of Rural Community Council (Leicestershire & Rutland) (the 'charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Our responsibilities for the audit of the financial statements

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

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISA's (UK).

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

We obtained an understanding of the legal and regulatory frameworks applicable to the charity and industry in which it operates through our general commercial experience. We determined that the following laws and regulations were most significant: FRS 102, Companies Act 2006 and Charities SORP (FRS 102).

We enquired of management concerning the charities policies and procedures relating to:

- the identification and compliance with laws and regulations.
- the detection and response to the risks of fraud.
- the internal controls inherent within the charity to mitigate fraud risk and non-compliance to laws and regulations.

We enquired of management, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.

We communicated relevant laws and regulations and potential areas of fraud to all audit team members. We remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We have determined that the principal risk areas where material irregularities could occur were related to posting manual journal entries to manipulate financial performance, income recognition and significant one-off or unusual transactions.

Our audit procedures were designed to respond in particular to these identified risks (including non compliance with laws and regulations and fraud).

Our audit procedures included but were not limited to:

- A review of a sample of sales invoices from both income streams to ensure income has been accurately recorded and to confirm amounts are recognised in the correct period.
- A review of laws and regulations the charity is subject to, followed by compliance checks and discussion with management to ensure no instances of non compliance.
- Addressing the risks of fraud through management override of controls by performing journal entry test.

We did not identify any matters during the course of our work that indicated non-compliance with laws and regulations or relating to fraud.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)

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

Use of our report

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

Mr P Bott FCA (Senior Statutory Auditor)
for and on behalf of Mark J Rees LLP Chartered Accountants
and Statutory Auditors
Granville Hall
Granville Road
Leicester
LE1 7RU

Date:

**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	295,767	20,833	316,600	143,022
Other trading activities	3	119,505	78,613	198,118	165,231
Investment income	4	7,523	3	7,526	8,885
Total		422,795	99,449	522,244	317,138
EXPENDITURE ON					
Charitable activities	5				
Grants		-	47,350	47,350	-
Other		343,217	52,696	395,913	322,206
Total		343,217	100,046	443,263	322,206
Net gains/(losses) on investments		(2,524)	-	(2,524)	-
NET INCOME/(EXPENDITURE)		77,054	(597)	76,457	(5,068)
Transfers between funds	17	(31,863)	31,863	-	-
Net movement in funds		45,191	31,266	76,457	(5,068)
RECONCILIATION OF FUNDS					
Total funds brought forward		772,990	-	772,990	778,058
TOTAL FUNDS CARRIED FORWARD		818,181	31,266	849,447	772,990

The notes form part of these financial statements

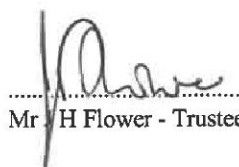
RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

BALANCE SHEET 31 MARCH 2022

	Notes	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	12	4,103	-	4,103	6,630
Investments	13	178,476	-	178,476	6,000
		<u>182,579</u>	<u>-</u>	<u>182,579</u>	<u>12,630</u>
CURRENT ASSETS					
Debtors	14	5,595	-	5,595	9,550
Prepayments and accrued income		1,589	-	1,589	1,373
Cash at bank		646,760	31,266	678,026	785,413
		<u>653,944</u>	<u>31,266</u>	<u>685,210</u>	<u>796,336</u>
CREDITORS					
Amounts falling due within one year	15	(18,342)	-	(18,342)	(35,976)
NET CURRENT ASSETS		<u>635,602</u>	<u>31,266</u>	<u>666,868</u>	<u>760,360</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>818,181</u>	<u>31,266</u>	<u>849,447</u>	<u>772,990</u>
NET ASSETS		<u>818,181</u>	<u>31,266</u>	<u>849,447</u>	<u>772,990</u>
FUNDS	17				
Unrestricted funds:					
General fund				818,181	772,990
Restricted funds				31,266	-
TOTAL FUNDS				<u>849,447</u>	<u>772,990</u>

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

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

 31/03/22
Mr H Flower - Trustee

The notes form part of these financial statements

**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	64,066	10,900
Net cash provided by operating activities		64,066	10,900
Cash flows from investing activities			
Purchase of tangible fixed assets		(3,979)	(1,556)
Purchase of fixed asset investments		(175,000)	-
Interest received		7,526	8,885
Net cash (used in)/provided by investing activities		(171,453)	7,329
Change in cash and cash equivalents in the reporting period		(107,387)	18,229
Cash and cash equivalents at the beginning of the reporting period		785,413	767,184
Cash and cash equivalents at the end of the reporting period		678,026	785,413

The notes form part of these financial statements

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

1. 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)	76,457	(5,068)
Adjustments for:		
Depreciation charges	6,506	11,107
Losses on investments	2,524	-
Interest received	(7,526)	(8,885)
Decrease in debtors	3,739	6,690
(Decrease)/increase in creditors	(17,634)	7,056
Net cash provided by operations	64,066	10,900

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.21	Cash flow	At 31.3.22
	£	£	£
Net cash			
Cash at bank	785,413	(107,387)	678,026
	<u>785,413</u>	<u>(107,387)</u>	<u>678,026</u>
Total	<u>785,413</u>	<u>(107,387)</u>	<u>678,026</u>

The notes form part of these financial statements

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Income

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

COVID-19 Grants

During the year the charity took advantage of the Government's Job Retention Scheme in order to mitigate costs against the Coronavirus pandemic. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Therefore included within grants received is an amount of £6,977 relating to COVID-19 grants.

Expenditure

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

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

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee.

Tangible fixed assets

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

Fixtures and fittings	- 33% on cost
Motor vehicles	- 33% on cost
Computer equipment	- 33% on cost

Taxation

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

Fund accounting

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

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits

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

Operating leases

Rental under operating leases is credited to income on an accruals basis and rental expenditure under operating leases are charged to the Statement of Financial Activities on the accruals basis.

Grants Payable

Grants payable are accounted for on the accruals basis when the grant has been approved by the Trustees.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Going Concern and COVID-19

The trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

Whilst Covid-19 has impacted the charitable company's operations it has not changed its ability to continue as a going concern.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

2. DONATIONS AND LEGACIES

	2022	2021
	£	£
Membership and donations	4,538	4,694
Grants	312,062	138,328
	<u>316,600</u>	<u>143,022</u>

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

	2022	2021
	£	£
Leicestershire County Council	44,059	20,000
DEFRA/ACRE	42,200	41,200
Leicestershire NHS	27,561	-
Hinckley & Bosworth Borough Council	-	10,000
VISTA - Will project	149,297	-
National Lottery Community Fund	36,413	54,590
Leicestershire and Rutland Community Foundation	-	2,224
Coronavirus Job Retention Scheme	6,977	8,814
National Association for Voluntary and Community Action	3,000	1,500
Awareness	4,955	-
Market Bosworth PC	(2,400)	-
	<u>312,062</u>	<u>138,328</u>

Included within grants received is an amount of £6,977 relating to COVID-19 grants.

3. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Services and project work	<u>198,118</u>	<u>165,231</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

4. INVESTMENT INCOME

	2022	2021
	£	£
Deposit account interest	7,526	8,885

5. CHARITABLE ACTIVITIES COSTS

	Grant funding of activities (see note 6) £
Grants	47,350

6. GRANTS PAYABLE

	£
Community Volunteer Fund	21,250
Platinum Jubilee	3,550
Make A Difference	20,700
Village Halls	1,850
	47,350

7. SUPPORT COSTS

	Support costs £	Governance costs £	Totals £
Other resources expended	391,146	4,767	395,913

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

7. SUPPORT COSTS - continued

Support costs, included in the above, are as follows:

	2022	2021
	Other	Total
	resources	activities
	expended	
	£	£
Wages	289,834	226,795
Social security	17,837	14,502
Pensions	14,117	11,645
Service delivery costs	13,065	8,983
Vehicle expenses	1,789	1,165
Rates and water	3,560	3,548
Insurance	4,797	3,838
Rent and service charge	21,877	19,400
Computer costs	8,506	7,614
Postage and stationery	3,327	1,693
Sundries	1,926	2,036
Legal fees	181	4,026
Travel and subsistence	3,824	2,014
Depreciation of tangible fixed assets	6,506	11,107
Auditors' remuneration	4,767	3,840
	395,913	322,206

8. NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Auditors' remuneration	4,767	3,840
Depreciation - owned assets	6,505	11,107
Hire of plant and machinery	13,065	8,983
Other operating leases	1,789	1,165

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

9. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustee's remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no Trustee's expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

10. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	289,834	226,795
Social security costs	17,837	14,502
Other pension costs	14,117	11,645
	<u>321,788</u>	<u>252,942</u>

Total remuneration in relation to Key Management Personnel, included within the figures above, amounts to £93,268 (2021: £90,305)

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

	2022	2021
	14	10
Average number of employees	<u>14</u>	<u>10</u>

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

The charitable company operates a pension scheme for the benefit of employees. Contributions are charged to the Statement of Financial Activity in the period to which they relate. The charge for the year was £14,117 (2021: £11,645).

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - 31 MARCH 2021

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	103,451	39,571	143,022
Other trading activities	165,231	-	165,231
Investment income	8,885	-	8,885
Total	<u>277,567</u>	<u>39,571</u>	<u>317,138</u>
EXPENDITURE ON			

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - 31 MARCH 2021 - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Other	272,324	49,882	322,206
NET INCOME/(EXPENDITURE)	5,243	(10,311)	(5,068)
Transfers between funds	(114)	114	-
Net movement in funds	5,129	(10,197)	(5,068)
RECONCILIATION OF FUNDS			
Total funds brought forward	767,861	10,197	778,058
TOTAL FUNDS CARRIED FORWARD	<u>772,990</u>	<u>-</u>	<u>772,990</u>

12. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2021	12,117	15,295	6,831	34,243
Additions	238	-	3,740	3,978
At 31 March 2022	<u>12,355</u>	<u>15,295</u>	<u>10,571</u>	<u>38,221</u>
DEPRECIATION				
At 1 April 2021	11,738	10,197	5,678	27,613
Charge for year	164	5,098	1,243	6,505
At 31 March 2022	<u>11,902</u>	<u>15,295</u>	<u>6,921</u>	<u>34,118</u>
NET BOOK VALUE				
At 31 March 2022	<u>453</u>	<u>-</u>	<u>3,650</u>	<u>4,103</u>
At 31 March 2021	<u>379</u>	<u>5,098</u>	<u>1,153</u>	<u>6,630</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

13. FIXED ASSET INVESTMENTS

	Listed investments £	Unlisted investments £	Totals £
MARKET VALUE			
At 1 April 2021	-	6,000	6,000
Additions	175,000	-	175,000
Revaluations	(2,524)	-	(2,524)
At 31 March 2022	<u>172,476</u>	<u>6,000</u>	<u>178,476</u>
NET BOOK VALUE			
At 31 March 2022	<u>172,476</u>	<u>6,000</u>	<u>178,476</u>
At 31 March 2021	<u>-</u>	<u>6,000</u>	<u>6,000</u>

There were no investment assets outside the UK.

Cost or valuation at 31 March 2022 is represented by:

	Listed investments £	Unlisted investments £	Totals £
Valuation in 2022	172,476	-	172,476
Cost	-	6,000	6,000
	<u>172,476</u>	<u>6,000</u>	<u>178,476</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	-	1,260
Other debtors	5,595	5,595
VAT	-	2,695
	<u>5,595</u>	<u>9,550</u>

**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	93	294
VAT	5,747	-
Other creditors	3,812	3,343
Accruals and deferred income	8,690	32,339
	<u>18,342</u>	<u>35,976</u>

16. LEASING AGREEMENTS

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

	2022	2021
	£	£
Within one year	13,785	13,785
Between one and five years	3,446	17,231
	<u>17,231</u>	<u>31,016</u>

Lease payments of £14,233 were recognised as an expense during the year.

17. MOVEMENT IN FUNDS

	At 1.4.21	Net movement in funds	Transfers between funds	At 31.3.22
	£	£	£	£
Unrestricted funds				
General fund	772,990	77,054	(31,863)	818,181
Restricted funds				
Coffee Connect	-	(31,863)	31,863	-
HBBC VCS Commissioning Fund	-	31,266	-	31,266
	<u>-</u>	<u>(597)</u>	<u>31,863</u>	<u>31,266</u>
TOTAL FUNDS	<u>772,990</u>	<u>76,457</u>	<u>-</u>	<u>849,447</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	422,795	(343,217)	(2,524)	77,054
Restricted funds				
Coffee Connect	20,833	(52,696)	-	(31,863)
HBBC VCS Commissioning Fund	78,616	(47,350)	-	31,266
	<u>99,449</u>	<u>(100,046)</u>	<u>-</u>	<u>(597)</u>
TOTAL FUNDS	<u>522,244</u>	<u>(443,263)</u>	<u>(2,524)</u>	<u>76,457</u>

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	767,861	5,243	(114)	772,990
Restricted funds				
Coffee Connect	10,197	(10,311)	114	-
	<u>778,058</u>	<u>(5,068)</u>	<u>-</u>	<u>772,990</u>
TOTAL FUNDS	<u>778,058</u>	<u>(5,068)</u>	<u>-</u>	<u>772,990</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2022

17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	277,567	(272,324)	5,243
Restricted funds			
Coffee Connect	39,571	(49,882)	(10,311)
TOTAL FUNDS	<u>317,138</u>	<u>(322,206)</u>	<u>(5,068)</u>

Restricted funds

Coffee Connect

Hitting the road in 2020, Rural Coffee Connect is a brand new barista coffee van that will travel across rural Leicestershire and Rutland popping up a safe, welcoming and informal café for people to enjoy a free cup of coffee or tea, chat and build connections in their community.

Rural Coffee Connect will also provide a focal point for delivering information, awareness training and other community activities to help combat loneliness and isolation within our rural areas.

HBBC VCS Commissioning

Hinckley and Bosworth Borough Council (HBBC) have commissioned the RCC to administer and distribute grants and commissioning monies to the Voluntary and Community Sector (VCS) across the Borough. This currently involves administration of two small grant schemes Making a Difference (MAD) and the Community Volunteer Fund (CVF). The RCC market and promote the grants, undertake all administration of the applications, and make payments direct to beneficiaries. Decisions regarding grants are made by a grants panel, chaired by an elected member of HBBC and consisting of members of the VCS, including the RCC.

**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022**

18. EMPLOYEE BENEFIT OBLIGATIONS

The company operates a pension scheme. The assets of the scheme are held separately from those of the company within independently administered funds. The charge for the year was £14,117 (2021: £11,645).

19. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2022.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS				
Donations and legacies				
Membership and donations	4,538	-	4,538	4,694
Grants	291,229	20,833	312,062	138,328
	295,767	20,833	316,600	143,022
Other trading activities				
Services and project work	119,505	78,613	198,118	165,231
Investment income				
Deposit account interest	7,523	3	7,526	8,885
Total incoming resources	422,795	99,449	522,244	317,138
EXPENDITURE				
Charitable activities				
Grants to institutions	-	47,350	47,350	-
Support costs				
Support costs				
Wages	250,165	39,669	289,834	226,795
Social security	17,837	-	17,837	14,502
Pensions	14,117	-	14,117	11,645
Service delivery costs	6,659	6,406	13,065	8,983
Vehicle expenses	267	1,522	1,789	1,165
Rates and water	3,560	-	3,560	3,548
Insurance	4,797	-	4,797	3,838
Rent and service charge	21,877	-	21,877	19,400
Computer costs	8,506	-	8,506	7,614
Postage and stationery	3,327	-	3,327	1,693
Sundries	1,926	-	1,926	2,036
Legal fees	181	-	181	4,026
Travel and subsistence	3,824	-	3,824	2,014
Carried forward	337,043	47,597	384,640	307,259

This page does not form part of the statutory financial statements

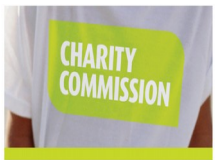
**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022**

	Unrestricted funds £	Restricted funds £	2022 Total funds £	2021 Total funds £
Support costs				
Brought forward	337,043	47,597	384,640	307,259
Depreciation of tangible fixed assets	1,407	5,099	6,506	11,107
	<u>338,450</u>	<u>52,696</u>	<u>391,146</u>	<u>318,366</u>
Governance costs				
Auditors' remuneration	4,767	-	4,767	3,840
	<u>343,217</u>	<u>100,046</u>	<u>443,263</u>	<u>322,206</u>
Total resources expended				
Net (expenditure)/income before gains and losses	79,578	(597)	78,981	(5,068)
Realised recognised gains and losses				
Realised gains/(losses) on fixed asset investments	(2,524)	-	(2,524)	-
	<u>77,054</u>	<u>(597)</u>	<u>76,457</u>	<u>(5,068)</u>
Net (expenditure)/income				

This page does not form part of the statutory financial statements

Accounts



Trustees' Annual Report for the period

From	Period start date			To	Period end date		
	01	April	2020		31	March	2021

Section A Reference and administration details

Charity name Rural Community Council (Leicestershire & Rutland)

Other names charity is known by RCC

Registered charity number (if any) 1077645

Charity's principal address S09, The Atkins
Lower Bond Street
Hinckley
Postcode LE10 1QU

Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Martin Traynor	Chair		
2	Alwyn Mortimer	Vice Chair		
3	Phillip Durban	Vice Chair		
4	Pat Crane			
5	John Flower	Treasurer		
6	Helen Richardson			Leicestershire County Council
7	Edward Baines			Rutland County Council
8	Janie Martin			
9	Hillary Fryer			Leicestershire District and Borough Councils
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				

Names of the trustees for the charity, if any, (for example, any custodian trustees)

Name	Dates acted if not for whole year

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address

Name of chief executive or names of senior staff members (Optional information)

Kevin Butcher & Samuel Howlett – Executive Directors

Section B Structure, governance and management

Description of the charity's trusts

Type of governing document (eg. trust deed, constitution)	Memorandum and Articles of Association
How the charity is constituted (eg. trust, association, company)	Company Limited by Guarantee
Trustee selection methods (eg. appointed by, elected by)	Elected by membership Appointed by bodies Co-opted by Trustees

Additional governance issues (Optional information)

You **may choose** to include additional information, where relevant, about:

- ☐ policies and procedures adopted for the induction and training of trustees;
- ☐ the charity's organisational structure and any wider network with which the charity works;
- ☐ relationship with any related parties;
- ☐ trustees' consideration of major risks and the system and procedures to manage them.

- ☐ Trustees joining the RCC receive a full induction into the governance and operational activities of the charity. Policies and procedures are adopted across the business, so Trustees receive the same information as the Executive and Staff teams.
- ☐ The RCC is governed by a Trustee Board which can accommodate between 3 and 16 Trustees. The Board select a Chair, 2 vice chairs and a Treasurer for each annual term at the AGM.
- ☐ A Scheme of Delegation clearly sets out activities and decisions that are reserved for the Trustees, The Executive, and the wider staff team
- ☐ The RCC is a member of Action for Communities in Rural England (ACRE)
- ☐ A risk register is maintained and constantly reviewed to minimise any risks to the charity assets.

Section C Objectives and activities

Summary of the objects of the charity set out in its governing document

Summary of the main activities undertaken for the public benefit in relation to these objects (include within this section the statutory declaration that trustees have had regard to the guidance issued by the Charity Commission on public benefit)

To further any charitable purpose or purposes for the benefit of those who are resident or work in the rural areas and communities of Leicestershire and Rutland.

The Trustees believe that all the activities undertaken by the charity are for the public benefit, and as part of their role as Trustees for the organisation ensure that future and proposed activities fit with the purposes of the charity, and that the charitable activities remain relevant to beneficiaries.

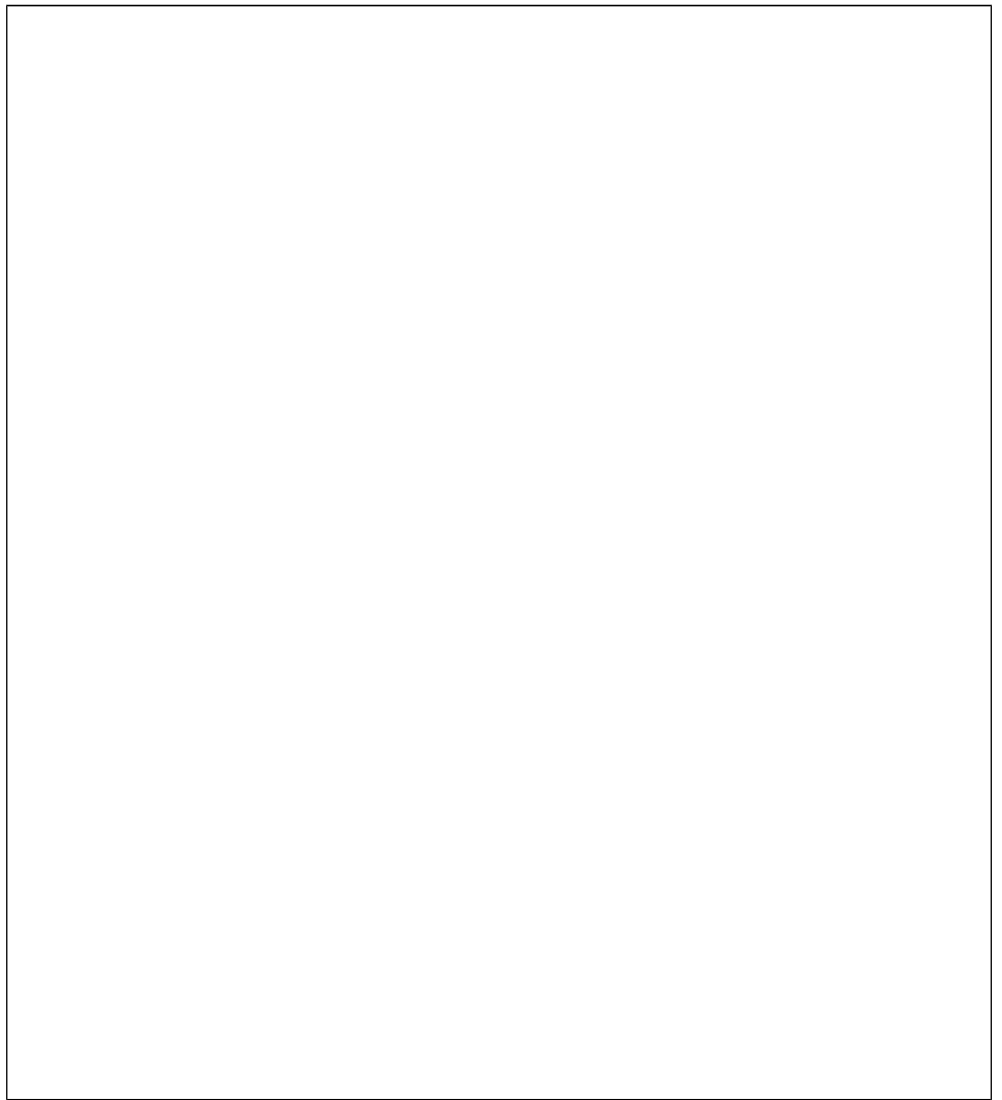
Trustee can confirm that they have had regard for the Charity Commission Public Benefit guides as below

- ☐ The Public Benefit Requirement (PB1)
- ☐ Running a Charity (PB2)
- ☐ Reporting (PB3)

The RCC aims to ensure that all those who work and live in rural communities in Leicestershire and Rutland are provided with access to a range of opportunities, services and facilities, which are sustainable and inclusive to all and are empowered to influence and manage their future.

Key elements of the RCC's work designed to meet the charitable activity outlined above can be summarised as;

- ☐ Community Wellbeing
 - o Support of Good Neighbour schemes
 - o Delivery of Suicide prevention and awareness training
 - o Provision of outreach and engagement services to Local Authorities, the NHS and Clinical Commissioning Groups.
 - o Encourage rural equality in service delivery
- ☐ Rural Economy
 - o Promote economic development and investment across rural areas of Leicestershire and Rutland
 - o Provide a voice for rural businesses and communities
 - o Encourage rural equality in investment and infrastructure
- ☐ Facilities and Services
 - o Provide support and guidance to community owned buildings and facilities
 - o Champion community ownership
 - o Provide support to community transport solutions and activities
- ☐ Community Planning
 - o Strengthen the voice and influence of rural communities within the planning system
 - o Provide support to rural communities to develop local planning documents and guidance.
 - o Stimulate the increase and sustainability of affordable rural homes



Additional details of objectives and activities (Optional information)

You **may choose** to include further statements, where relevant, about:

- ☐ policy on grantmaking;
- ☐ policy programme related investment;
- ☐ contribution made by volunteers.



Section D

Achievements and performance

Section D

Achievements and performance

Summary of the main achievements of the charity during the year

- Community Wellbeing
 - o Good Neighbour schemes continue to be assisted to provide peer to peer support for those in need in rural communities.
 - o Suicide prevention and awareness sessions have been delivered in Leicester City and throughout the County
 - o Wellbeing and loneliness training sessions delivered across both counties
 - o Delivered year 2 of a 2-year contract with Leicestershire County Council to deliver the “Start a Conversation” project aimed at raising awareness and the prevention of suicide risk through a structured campaign.
 - o Delivered year 2 of a 3-year Lottery funded project titled “Rural Coffee Connect” which tackles rural isolation and loneliness through outreach, training and the building of social capacity.
- Rural Economy
 - o In Partnership with 6 other sector organisations delivered against a £2.4M European Social Investment Fund grant through the Building Better opportunities fund. Further grant funding of £180K to further activity in identifying and engaging with those furthest from the job and training market and located in rural areas.
 - o Engagement and support of the Leicester and Leicestershire Economic Partnership to encourage spend and investment in rural areas.
- Facilities and Services
 - o Provide support and guidance to the 300 or so community owned buildings and village halls through the RCC Community Building service.
 - o Provide support and advice to over 100 community play and sport organisations.
- Community Planning
 - o Provide support to rural communities in Leicestershire & Rutland to undertake Neighbourhood Planning process in order to strengthen the voice and influence of rural communities within the planning system.

Section E

Financial review

Brief statement of the charity's policy on reserves

The RCC has identified that a minimum level of unrestricted reserve funds should be set to counterbalance trading uncertainty and produce a base level for stability. Additionally, a target level of unrestricted funds will also be set to allow for growth and for the RCC to take advantage of strategic development opportunities going forward. Holding unrestricted but designated reserves will also allow the RCC to make cash investments in order to generated revenue income to cover day to day operational expenses. We have identified that the level of unrestricted funds should be set as:

Minimum Level

- Six months operating costs - £220,000
 - Cover for redundancy costs - £ 25,000
 - Contingent liabilities - £ 50,000
- Total - £295,000

Target Level

- Nine months operating costs - £310,000
 - Cover for redundancy costs - £ 25,000
 - Contingent liabilities - £ 50,000
- Total £385,000

Operating costs being defined as payroll costs plus direct purchases. These costs exclude those relating to Fixed term staff and activities purely related to the Restricted Will Project fund. Redundancy costs being the statutory level for all staff employed.

Designated funds are excluded from reserves as per the Charities Commission definition. The RCC Trustees have designated the following funds

- Designated cash for investment - £350,000
 - Designated strategic investment - £50,000
- Total £400,000

Details of any funds materially in deficit

none

Further financial review details (Optional information)

You **may choose** to include additional information, where relevant about:

- ☐ the charity's principal sources of funds (including any fundraising);
- ☐ how expenditure has supported the key objectives of the charity;
- ☐ investment policy and objectives including any ethical investment policy adopted.

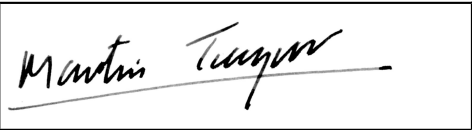
Section F

Other optional information

Section GDeclaration

The trustees declare that they have approved the trustees’ report above.

Signed on behalf of the charity’s trustees

Signature(s)		
Full name(s)	Martin Traynor	
Position (eg Secretary, Chair, etc)	Chair	
Date	23/08/2021	

REGISTERED COMPANY NUMBER: 03665974 (England and Wales)
REGISTERED CHARITY NUMBER: 1077645

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

Mark J Rees LLP Chartered Accountants
and Statutory Auditors
Granville Hall
Granville Road
Leicester
LE1 7RU

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

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RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

To further any charitable purpose or purposes for the benefit of those who are resident or work in the rural areas and communities of Leicestershire and Rutland.

The trustees believe that all the activities undertaken by the charity are for the public benefit, and as part of their role as trustees for the organisation ensure that future and proposed activities fit with the purposes of the charity, and that the charitable activities remain relevant to beneficiaries.

Trustees can confirm that they have had regard for the Charity Commission Public Benefit guides as below:

- The Public Benefit Requirement (PB1)
- Running a Charity (PB2)
- Reporting (PB3)

The Rural Community Council (Leicestershire and Rutland) (RCC) aims to ensure that all those who work and live in rural communities in Leicestershire and Rutland are provided with access to a range of opportunities, services and facilities, which are sustainable and inclusive to all and are empowered to influence and manage their future. Key elements of the RCC's work designed to meet the charitable activity outlined above can be summarised as;

Community Wellbeing

- Development of Good Neighbour schemes
- Delivery of Suicide prevention and awareness training
- Provision of outreach and engagement services to local authorities, the NHS and clinical commissioning groups
- Encourage rural equality in service deliver

Rural Economy

- Promote economic development and investment across rural areas of Leicestershire and Rutland
- Provide a voice for rural businesses and communities
- Encourage rural equality in investment and infrastructure

Facilities and Services

- Provide support and guidance to community owned buildings and facilities
- Champion community ownership
- Provide support to community transport solutions and activities

Community Planning

- Strengthen the voice and influence of rural communities within the planning system
- Provide support to rural communities to develop local planning documents and guidance
- Stimulate the increase and sustainability of affordable rural homes

STATEMENT OF DISCLOSURE TO AUDITORS

So far as the trustees/directors are aware there is no relevant audit information of which the charitable companies auditors are unaware. Additionally, the trustees/directors have taken all the necessary steps that they ought to have taken as trustees/directors in order to make themselves aware of all relevant audit information and to establish that the charitable companies auditors are aware of that information.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENT AND PERFORMANCE

Achievement and Performance

Community Wellbeing

- Good Neighbour schemes continue to be assisted to provide peer to peer support for those in need in rural communities.
- Suicide prevention and awareness sessions have been delivered in Leicester City and throughout the County.
- Wellbeing and loneliness training sessions delivered across both counties.
- Delivered year 2 of a 2-year contract with Leicestershire County Council to deliver the "Start a Conversation" project aimed at raising awareness and the prevention of suicide risk through a structured campaign.
- Delivered year 2 of a 3-year Lottery funded project titled "Rural Coffee Connect" which tackles rural isolation and loneliness through outreach, training and the building of social capacity.

Rural Economy

- In Partnership with 6 other sector organisations delivered against a £2.4M European Social Investment Fund grant through the Building Better opportunities fund. Further grant funding of £180K to further activity in identifying and engaging with those furthest from the job and training market and located in rural areas.
- Engagement and support of the Leicester and Leicestershire Economic Partnership to encourage spend and investment in rural areas.

Facilities and Services

- Provide support and guidance to the 300 or so community owned buildings and village halls through the RCC Community Building service.
- Provide support and advice to over 100 community play and sport organisations.

Community Planning

- Support provided to rural communities in Leicestershire & Rutland to undertake Neighbourhood Planning process in order to strengthen the voice and influence of rural communities within the planning system.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

Reserves policy

The RCC has identified that a minimum level of unrestricted reserve funds should be set to counterbalance trading uncertainty and produce a base level for stability. Additionally, a target level of unrestricted funds will also be set to allow for growth and for the RCC to take advantage of strategic development opportunities going forward. Holding unrestricted but designated reserves will also allow the RCC to make cash investments in order to generate revenue income to cover day to day operational expenses. We have identified that the level of unrestricted funds should be set as:

Minimum Level

- Six months operating costs - £220,000
- Cover for redundancy costs - £ 25,000
- Contingent liabilities - £ 50,000

Total - £295,000

Target Level

- Nine months operating costs - £310,000
- Cover for redundancy costs - £ 25,000
- Contingent liabilities - £ 50,000

Total £385,000

Operating costs being defined as payroll costs plus direct purchases. These costs exclude those relating fixed term staff and activities purely related to the restricted WiLL Project fund. Redundancy costs being the statutory level for all staff employed.

Designated funds are excluded from reserves as per the Charities Commission definition. The RCC Trustees have designated the following funds

- Designated cash for investment - £350,000
- Designated strategic investment - £ 50,000

Total £400,000

At 31 March 2021 the total funds held are £772,592 (2020: £778,058).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Rural Community Council (Leicestershire and Rutland) is a company limited by guarantee and a registered charity.

The charitable company is governed by its Memorandum and Article of Association which sets out the objects and powers of the charitable company.

In the event of the Company being wound up members will be required to contribute an amount not exceeding £10.

Recruitment and appointment of new Trustees / Directors

Trustees joining the RCC receive a full induction into the governance and operational activities of the charity. Policies and procedures are adopted across the business, so trustees receive the same information as the Executive and staff teams.

Organisational structure

The charitable company is governed by a Trustee Board which can accommodate between 3 and 16 trustees. The Board select a Chair, 2 vice chairs and a Treasurer for each annual term at the AGM.

A Scheme of Delegation clearly sets out activities and decisions that are reserved for the trustees, the Executive and the wider staff team.

The RCC is a member of Action for Communities in Rural England (ACRE).

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk Management

A risk register is maintained and constantly reviewed to minimise any risks to the charity assets.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03665974 (England and Wales)

Registered Charity number

1077645

Registered office

Unit S09
The Atkins
Lower Bond Street
Hinckley
Leicestershire
LE10 1QU

Trustees

Mr E Baines
Mrs P Crane
Mr P H Durban
Mr J H Flower
Mrs H J Fryer
Mrs J Martin
Mr A D Mortimer
Mr M J D Traynor OBE
Mrs H L Richardson (resigned 30.6.2021)

Jennifer Lady Gretton DCVO JP is the President of the charitable company.

The Trustees/Directors delegate the day to day management of the charitable company to two employed Directors (distinct from the Directors of the charitable company).

Mr K Butcher and Mr S Howlett are Executive Directors of the charitable company.

Company Secretary

Mr K Butcher

Auditors

Mark J Rees LLP Chartered Accountants
and Statutory Auditors
Granville Hall
Granville Road
Leicester
LE1 7RU

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Rural Community Council (Leicestershire & Rutland) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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.

AUDITORS

The auditors, Mark J Rees LLP Chartered Accountants, will be proposed for re-appointment at the forthcoming Annual General Meeting.

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

Approved by order of the board of trustees on 3 November 2021 and signed on its behalf by:

Mr M J D Traynor OBE - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Opinion

We have audited the financial statements of Rural Community Council (Leicestershire & Rutland) (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet and 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The 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 Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

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

Responsibilities of trustees

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Our responsibilities for the audit of the financial statements

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

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. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISA's (UK).

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

We obtained an understanding of the legal and regulatory frameworks applicable to the charity and industry in which it operates through our general commercial experience. We determined that the following laws and regulations were most significant: FRS 102, Companies Act 2006 and Charities SORP (FRS 102).

We enquired of management concerning the charities policies and procedures relating to:

- the identification and compliance with laws and regulations.
- the detection and response to the risks of fraud.
- the internal controls inherent within the charity to mitigate fraud risk and non-compliance to laws and regulations.

We enquired of management, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.

We communicated relevant laws and regulations and potential areas of fraud to all audit team members. We remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We have determined that the principal risk areas where material irregularities could occur were related to posting manual journal entries to manipulate financial performance, income recognition and significant one-off or unusual transactions.

Our audit procedures were designed to respond in particular to these identified risks (including non compliance with laws and regulations and fraud).

Our audit procedures included but were not limited to:

- A review of a sample of sales invoices from both income streams to ensure income has been accurately recorded and to confirm amounts are recognised in the correct period.
- A review of laws and regulations the charity is subject to, followed by compliance checks and discussion with management to ensure no instances of non compliance.
- Addressing the risks of fraud through management override of controls by performing journal entry test.

We did not identify any matters during the course of our work that indicated non-compliance with laws and regulations or relating to fraud.

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

Use of our report

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

Mr P Bott FCA (Senior Statutory Auditor)
for and on behalf of Mark J Rees LLP Chartered Accountants
and Statutory Auditors
Granville Hall
Granville Road
Leicester
LE1 7RU

4 November 2021

**RURAL COMMUNITY COUNCIL (LEICESTERSHIRE
& RUTLAND)**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

		Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	103,451	39,571	143,022	89,374
Other trading activities	3	165,231	-	165,231	230,145
Investment income	4	10,460	-	10,460	16,301
Total		279,142	39,571	318,713	335,820
EXPENDITURE ON					
Other		273,899	49,882	323,781	389,177
NET INCOME/(EXPENDITURE)		5,243	(10,311)	(5,068)	(53,357)
Transfers between funds	14	(114)	114	-	-
Net movement in funds		5,129	(10,197)	(5,068)	(53,357)
RECONCILIATION OF FUNDS					
Total funds brought forward		767,861	10,197	778,058	831,415
TOTAL FUNDS CARRIED FORWARD		772,990	-	772,990	778,058

The notes form part of these financial statements

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

BALANCE SHEET 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	9	1,532	5,098	6,630	16,181
Investments	10	6,000	-	6,000	6,000
		<u>7,532</u>	<u>5,098</u>	<u>12,630</u>	<u>22,181</u>
CURRENT ASSETS					
Debtors	11	9,550	-	9,550	8,800
Prepayments and accrued income		562	811	1,373	8,813
Cash at bank		775,743	9,670	785,413	767,184
		<u>785,855</u>	<u>10,481</u>	<u>796,336</u>	<u>784,797</u>
CREDITORS					
Amounts falling due within one year	12	(20,397)	(15,579)	(35,976)	(28,920)
NET CURRENT ASSETS		<u>765,458</u>	<u>(5,098)</u>	<u>760,360</u>	<u>755,877</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>772,990</u>	<u>-</u>	<u>772,990</u>	<u>778,058</u>
NET ASSETS		<u>772,990</u>	<u>-</u>	<u>772,990</u>	<u>778,058</u>
FUNDS	14				
Unrestricted funds:					
General fund				772,990	767,861
Restricted funds				-	10,197
TOTAL FUNDS				<u>772,990</u>	<u>778,058</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 3 November 2021 and were signed on its behalf by:

Mr J H Flower - Trustee

The notes form part of these financial statements

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

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

COVID-19 Grants

During the year the charity took advantage of the Government's Job Retention Scheme and small business grant in order to mitigate costs against the Coronavirus pandemic. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable. Therefore included within grants received is an amount of £18,814 relating to COVID-19 grants.

Expenditure

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

Governance costs

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fee.

Tangible fixed assets

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

Fixtures and fittings	- 33% on cost
Motor vehicles	- 33% on cost
Computer equipment	- 33% on cost

Taxation

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

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Fund accounting

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

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

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

Pension costs and other post-retirement benefits

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

Operating leases

Rental under operating leases is credited to income on an accruals basis and rental expenditure under operating leases are charged to the Statement of Financial Activities on the accruals basis.

Grants Payable

Grants payable are accounted for on the accruals basis when the grant has been approved by the Trustees.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Going Concern and COVID-19

The trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. The charitable company therefore continues to adopt the going concern basis in preparing its financial statements.

Whilst Covid-19 has impacted the charitable company's operations it has not changed its ability to continue as a going concern.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Membership and donations	4,694	3,149
Grants	138,328	86,225
	<u>143,022</u>	<u>89,374</u>

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

	2021	2020
	£	£
Leicestershire County Council	20,000	15,000
DEFRA/ACRE	41,200	41,800
Hinckley & Bosworth Borough Council	10,000	-
Playing Fields Association	-	5,410
National Lottery Community Fund	54,590	24,015
Leicestershire and Rutland Community Foundation	2,224	-
Coronavirus Job Retention Scheme	8,814	-
National Association for Voluntary and Community Action	1,500	-
	<u>138,328</u>	<u>86,225</u>

Included within grants received is an amount of £18,814 relating to COVID-19 grants.

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Services and project work	<u>165,231</u>	<u>230,145</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>10,460</u>	<u>16,301</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

5. NET INCOME/(EXPENDITURE)

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

	2021	2020
	£	£
Auditors' remuneration	3,840	4,020
Depreciation - owned assets	11,107	10,895
	<u>11,107</u>	<u>10,895</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustee's remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no Trustee's expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

7. STAFF COSTS

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

	2021	2020
	10	10
Average number of employees	<u>10</u>	<u>10</u>

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

The charitable company operates a pension scheme for the benefit of employees. Contributions are charged to the Statement of Financial Activity in the period to which they relate. The charge for the year was £11,645 (2020: £12,632).

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - 31 MARCH 2020

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	55,359	34,015	89,374
Other trading activities	230,145	-	230,145
Investment income	16,301	-	16,301
Total	<u>301,805</u>	<u>34,015</u>	<u>335,820</u>
EXPENDITURE ON			
Other	<u>349,394</u>	<u>39,783</u>	<u>389,177</u>
NET INCOME/(EXPENDITURE)	(47,589)	(5,768)	(53,357)
Transfers between funds	(15,412)	15,412	-

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - 31 MARCH 2020 - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Net movement in funds	(63,001)	9,644	(53,357)
RECONCILIATION OF FUNDS			
Total funds brought forward	830,862	553	831,415
TOTAL FUNDS CARRIED FORWARD	<u>767,861</u>	<u>10,197</u>	<u>778,058</u>

9. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST				
At 1 April 2020	11,679	15,295	5,713	32,687
Additions	<u>438</u>	<u>-</u>	<u>1,118</u>	<u>1,556</u>
At 31 March 2021	<u>12,117</u>	<u>15,295</u>	<u>6,831</u>	<u>34,243</u>
DEPRECIATION				
At 1 April 2020	7,786	5,098	3,622	16,506
Charge for year	<u>3,952</u>	<u>5,099</u>	<u>2,056</u>	<u>11,107</u>
At 31 March 2021	<u>11,738</u>	<u>10,197</u>	<u>5,678</u>	<u>27,613</u>
NET BOOK VALUE				
At 31 March 2021	<u>379</u>	<u>5,098</u>	<u>1,153</u>	<u>6,630</u>
At 31 March 2020	<u>3,893</u>	<u>10,197</u>	<u>2,091</u>	<u>16,181</u>

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

10. FIXED ASSET INVESTMENTS

	Unlisted investments £
MARKET VALUE	
At 1 April 2020 and 31 March 2021	6,000
NET BOOK VALUE	
At 31 March 2021	6,000
At 31 March 2020	6,000

There were no investment assets outside the UK.

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	1,260	8,700
Other debtors	5,595	100
VAT	2,695	-
	9,550	8,800

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade creditors	294	-
VAT	-	2,220
Other creditors	3,343	3,631
Accruals and deferred income	32,339	23,069
	35,976	28,920

13. LEASING AGREEMENTS

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

	2021 £	2020 £
Within one year	13,785	13,785
Between one and five years	17,231	31,015
	31,016	44,800

Lease payments of £14,162 were recognised as an expense during the year.

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

14. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	767,861	5,243	(114)	772,990
Restricted funds				
Coffee Connect	10,197	(10,311)	114	-
TOTAL FUNDS	778,058	(5,068)	-	772,990

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	279,142	(273,899)	5,243
Restricted funds			
Coffee Connect	39,571	(49,882)	(10,311)
TOTAL FUNDS	318,713	(323,781)	(5,068)

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General fund	830,862	(47,589)	(15,412)	767,861
Restricted funds				
Leicestershire Community Bus Partnership	553	(553)	-	-
Coffee Connect	-	(5,215)	15,412	10,197
	553	(5,768)	15,412	10,197
TOTAL FUNDS	831,415	(53,357)	-	778,058

RURAL COMMUNITY COUNCIL (LEICESTERSHIRE & RUTLAND)

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

14. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	301,805	(349,394)	(47,589)
Restricted funds			
Leicestershire Community Bus Partnership	-	(553)	(553)
Coffee Connect	34,015	(39,230)	(5,215)
	<u>34,015</u>	<u>(39,783)</u>	<u>(5,768)</u>
TOTAL FUNDS	<u>335,820</u>	<u>(389,177)</u>	<u>(53,357)</u>

Restricted funds

Leicestershire Community Bus

A Community Bus Partnership to increase passenger usage on four rural bus routes in Leicestershire thus enabling retention of the bus services. Funded by Leicestershire County Council.

Coffee Connect

Hitting the road in 2020, Rural Coffee Connect is a brand new barista coffee van that will travel across rural Leicestershire and Rutland popping up a safe, welcoming and informal café for people to enjoy a free cup of coffee or tea, chat and build connections in their community.

Rural Coffee Connect will also provide a focal point for delivering information, awareness training and other community activities to help combat loneliness and isolation within our rural areas.

15. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

Rural Community Council (Leicestershire & Rutland)
Unit S09
The Atkins
Lower Bond Street
Hinckley
Leicestershire
LE10 1QU

8 November 2021
R256/EW/PPB/SEW

Dear Sirs

REPORT TO MANAGEMENT

During the course of our audit for the period ended 31 March 2021, matters arose which we consider should be brought to your attention.

Accompanying this letter is a memorandum noting these points together with any recommendations we have for possible improvements which could be made.

These matters came to light during the course of our normal audit tests which are designed to assist us in forming our opinion on the financial statements. Our tests may not necessarily disclose all errors or irregularities and should not be relied upon to do so. However, if any irregularity did come to our attention during our audit tests, we would, of course, inform you.

This report has been prepared for the sole use of the board of Rural Community Council (Leicestershire & Rutland) and must not be shown to third parties without our prior consent. No responsibilities are accepted by Mark J Rees LLP towards any party acting or refraining from action as a result of this report.

We would be grateful if you could enter the company's comments against each point under the "comments" column of the memorandum and return it to us in due course.

Finally, we would like to express our thanks to all members of the company's staff who assisted us in carrying out our work.

Yours sincerely



Phillip Bott FCA BSc (Hons)
Partner
for Mark J Rees LLP
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Rural Community Council (Leicestershire & Rutland)

POINTS NOTED DURING THE COURSE OF OUR AUDIT FOR THE PERIOD ENDED 31 MARCH 2021	
Points noted, implication and Recommendations	Comments
1. VAT Partial Exemption – a quarterly (& annual) calculation should be performed to determine the portion of residual input tax reclaimable. Residual input tax is input tax on purchases used to make both taxable and exempt supplies. That could be because it's used directly to make both taxable and exempt supplies or because it's an overhead of the business. 2. During our audit of payroll it was highlighted that the new apprentice minimum wage was not implemented from 1st April 2020 for at least one employee. This could lead to misstatements in the wages expense code but more importantly is a breach of law and should therefore be implemented from the start day per the HMRC website. 3. During our purchase testing, two of our selected samples couldn't be vouched to purchase invoices. These transactions were credit card/small receipt transactions. Please ensure that all receipts are kept in the future, regardless of how small the transaction is.	