COMMUNITIES FIRST WESSEX

England & Wales · Charity number 1147527

Details

Other names	HCCS COMMUNITY ACTION, COMMUNITY FIRST HEH
Status	Registered
Legal form	Charitable company
Company number	08071971
Registered	2012-05-30
Register	View on the Charity Commission register

Contact

Address	Leigh Park Community Centre Dunsbury Way Havant Hampshire PO9 5BG
Phone	0300 500 8085
Email	support@cfirst.org.uk
Website	cfirst.org.uk

Activities

Objects: TO PROMOTE ANY CHARITABLE PURPOSES FOR THE BENEFIT OF THE PUBLIC, PRINCIPALLY BUT NOT EXCLUSIVELY IN HAMPSHIRE (INCLUDING PORTSMOUTH, SOUTHAMPTON AND THE ISLE OF WIGHT)AS WELL AS SURROUNDING AREAS (HEREINAFTER CALLED THE 'AREA OF BENEFIT') AND, IN PARTICULAR, BUT NOT EXCLUSIVELY, THE ADVANCEMENT OF EDUCATION THE PROTECTION OF HEALTH AND THE RELIEF OF POVERY, DISTRESS AND SICKNESS AND PROVIDE THEM WITH THE NECESSARY SUPPORT, INFORMATION AND SERVICES TO ENABLE THEM TO PURSUE OR CONTRIBUTE TO ANY CHARITABLE PURPOSE.TO PROMOTE ORGANISE AND FACILILTATE CO-OPERATION AND PARTNERSHIP WORKING BETWEEN THIRD SECTOR, STATUTORY AND OTHER RELEVANT BODIES IN THE ACHIEVEMENT OF THE ABOVE PURPOSES WITHIN THE AREA OF BENEFIT.

Activities: Community First plays a key role in developing a thriving voluntary sector in Hampshire, empowering communities, mobilising our member organisations and delivering critical community services including transport, mobility, training, supported volunteering, health & wellbeing programmes, community hubs and cafes, helping older people at home and young carers, that make life better for everyone.

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Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Economic/community Development/employment, Human Rights/religious Or Racial Harmony/equality Or Diversity, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- Dorset
- Hampshire
- Poole
- Portsmouth City
- Southampton City
- West Sussex

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£4,381,656	£3,742,966	£2,470,795	105
2024-03-31	£3,720,356	£3,700,701	£1,716,090	115
2023-03-31	£3,346,525	£3,261,251	£1,682,526	111
2022-03-31	£3,324,637	£3,112,921	£975,246	108
2021-03-31	£3,356,072	£2,859,792	£300,483	105

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Trustees

Name	Role	Appointed
Claire Louise Savage		2024-09-12
Ian Kevin Reeves		2024-10-01
JOHN EVANS		2016-04-28
Owain Thomas Little		2024-09-12
Sara Tiller		2024-12-11
Simon Ap Kenneth Mortimore		2024-09-12
Vivienne Nerys Carter		2024-03-08

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COMMUNITIES FIRST WESSEX

England & Wales - Charity number 1147527

Accounts

COMMUNITIES FIRST WESSEX

Company number: 08071971

REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2025

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

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2025

Charity registration number: 1147527

Company registration number: 8071971

Business address

Leigh Park Community Centre
Dunsbury Way
Leigh Park
Havant
PO9 5BG

Auditors & Registered office address

MC Audit Limited
Station House
50 North Street
Havant
PO9 1QU

Bankers

Lloyds Bank PLC
West Street
Havant

Directors / Trustees during the year and to date

Beverley Jones	Resigned 31 July 2024
Janet Lefley	Resigned 5 June 2025
Dr John Evans	
Clive Graham	
Paul Kirkwood	Resigned 5 June 2025
David Eley	Resigned 30 September 2024
Tina Pullin	
Vivienne Carter	
Clare Savage	Appointed 12 September 2024
Simon Ap Mortimore	Appointed 12 September 2024
Owain Little	Appointed 12 September 2024
Ian Reeves	Appointed 1 October 2024
Suzanne Pepper	Appointed 1 October 2024
Sara Tillller	Appointed 11 December 2024 (chair)

Chief Executive Officer

Tim Houghton

Communities First Wessex

Trustees' Report and Annual Accounts
For the year ended 31 March 2025

Chairperson's Foreword

It is a privilege to present this year's Trustees' Report and Annual Accounts and to reflect on another year of growth, challenge, and achievement for Communities First Wessex.

Over the past twelve months our charity has strengthened its role as a cornerstone of the voluntary and community sector across Hampshire and the surrounding areas. In April 2024 we began delivering VCSE infrastructure support for Eastleigh Borough Council, and in October 2024 we welcomed Gosport Voluntary Action into the Communities First family. These milestones, alongside continued service innovation, demonstrate how collaboration and local partnership remain at the heart of our mission.

Our impact has been remarkable. We supported and engaged 459 voluntary, community and social enterprise organisations; recruited and mobilised more than 550 volunteers; provided community transport to 64,000 passengers; and delivered vital counselling to over 500 survivors of trauma and abuse. Whether through healthy walks, youth activities, or our expanding social prescribing and wellbeing programmes, our work continues to connect people, reduce isolation, and build resilience in our communities.

Financially, we remain strong and sustainable. Income rose to £4.38 million, including the generous legacy of Gosport Voluntary Action. We have diversified funding sources, invested in innovation through the Community First Investment Fund, and maintained prudent reserves to meet future challenges. At the same time, we recognise the risks ahead: pressure on local authority budgets, a major reorganisation of local government, rising costs, and increasing demand for services mean we must stay agile, grow new income streams, and work ever more closely with partners.

None of this would be possible without the dedication of our staff, volunteers, members, and partners. I am deeply grateful for their energy and commitment, and for the support of our trustees who give their time and expertise so generously. During 2024–25 we welcomed six new trustees. I thank my predecessors—particularly Beverley Jones, who retired in August 2024 and laid the foundations for our success; Jan Lefley, our interim Chair until June 2025; and long-standing trustees David Eley and Paul Kirkland—for their invaluable contributions. I also thank our Chief Executive, Tim Houghton, and the Senior Leadership Team for their vision and resilience in guiding the organisation through another year of change and opportunity.

As we look to 2025/26, we remain steadfast in our purpose: enabling people and organisations to thrive, fostering a vibrant voluntary sector, and ensuring that local

communities across Hampshire have the support and voice they need. Together, we will continue to innovate, collaborate, and make a lasting difference.

Sara Tiller
Chair of Trustees

Governance and Performance

Management and Governance

Communities First Wessex (CFW), trading as **Community First**, is a registered charity and a company limited by guarantee. It is governed by its Memorandum and Articles of Association, established in 2012 and amended by special resolutions in May 2015, July 2017, and January 2018.

CFW was formed through the merger of five district CVSs, creating a centralised management and governance structure while retaining local teams and services responsive to community needs. This strategy continued with the merger with Gosport Voluntary Action in October 2024 and the delivery of support services in Eastleigh under contract with Eastleigh Borough Council from April 2024.

Board of Directors and Senior Management

The Trustees of the Charity also serve as Directors of the Company. They set strategic direction and ensure effective financial stewardship and governance. An Executive Committee meets monthly to support the main Board, ensuring the organisation has the resources, staff, and capacity to deliver its strategy and meet financial targets. Task-specific groups are formed as required.

The Senior Leadership Team—comprising the Chief Executive, Chief Operating Officer, and Finance Director—oversees daily operations, partnership and programme development, and service delivery. The Board regularly reviews the structure and priorities of the Senior Leadership Team in light of funding requirements and organisational changes.

Recruiting and Supporting Directors

We align the skills and experience of our Trustees and Directors with the strategic needs of the organisation. Skill gaps are identified by the Executive Committee and addressed by the Board. Nominations are invited throughout the year via open advertisements and outreach to members, partners, and individuals with relevant expertise.

We are committed to building a diverse Board that reflects the communities we serve. New Trustees receive comprehensive background information and training, following Charity Commission guidance, and are encouraged to engage with staff and volunteers to understand the challenges and opportunities we face.

During 2024/25 we recruited 8 Trustees and will continue to do so to replace retiring members and maintain the skills and expertise needed to achieve our objectives.

Aims, Objectives, Activities and Achievements

Charitable Aims and Objectives

- To promote any charitable purposes for the benefit of the public in Hampshire and surrounding areas, including the advancement of education, the protection of health, and the relief of poverty, distress, and sickness.
- To provide individuals with the support, information, and services needed to pursue or contribute to charitable purposes.
- To promote, organise, and facilitate cooperation and partnership working between third sector, statutory, and other relevant bodies in Hampshire and its environs.

Delivering Public Benefit

CFW supports a thriving, active, and influential voluntary sector across Hampshire and neighbouring areas. We lead the Hampshire CVS Network and directly deliver services in East Hampshire, Havant, Winchester, Fareham, Eastleigh, Gosport, and the New Forest. We also provide transport services in Basingstoke & Deane and Gosport, and trauma-informed and sexual abuse counselling across north and mid-Hampshire. Our Health and Wellbeing and Social Prescribing networks offer countywide support to organisations assisting people in need.

As a membership organisation, we believe in the power of collaboration. We continue to grow our membership, host networking events, and provide digital self-serve toolkits and resources to strengthen support for local VCSE organisations.

Key Achievements in 2024/25

- Supported and engaged **459** VCSE organisations
- Merged with **Gosport Voluntary Action** (October 2024)
- Recruited and mobilised **551 volunteers** and **39 young volunteers**
- Engaged **350 clients** through the Positive Pathways supported volunteering programme
- Welcomed **128** new organisations to our volunteering programme
- Delivered **2,027 hours** of volunteer time through our Timebank initiative in Woolmer Forest, Bordon

- Secured **£374,000** in additional investment for VCSE organisations
- Trained **748 learners**, including volunteers, staff, and people facing employment barriers
- Provided community transport to **64,000 passengers**, school transport to **22,800 pupils**, and supported **19 hirers** through the Wheels to Work moped scheme
- Hired out mobility scooters **3,300 times** via Shopmobility and at events including Goodwood and the New Forest Show
- Launched new demand-responsive transport schemes in **Andover (March 2025)** and **Portsmouth (June 2025)**
- Recorded **96,000 visits** to our Community Hubs in Clanfield and Leigh Park
- Supported **147 young carers** in the New Forest with **74 activity sessions** and **1,700+ respite hours**
- Provided counselling to **512 victims** of sexual trauma and abuse through our START service
- Delivered home help to **414 clients** and supported **295 households** with gardening and Mend and Tend services
- Supported **43 vulnerable older adults** in Gosport through our innovative Close Encounters befriending and Advocacy service working in partnership with Age UK Portsmouth and Age Concern Gosport
- Organised **800+ healthy walks** to promote physical activity, wellbeing, and social connection

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Financial Review

Revenue grew and overall financial performance remained strong. Total income for 2024/25 was **£4.38 million**, compared to **£3.72 million** in 2023/24. This included a donation of **£808,000** from Gosport Voluntary Action.

The charity's defined salary pension scheme with Hampshire County Council showed a surplus of **£100,000** (before administration costs), compared with a **£1,000** loss in 2023/24. Under accounting regulations the surplus is not recognised, and an adjustment reduces the liability to nil. Winchester City Council and Fareham Borough Council guarantee to underwrite any deficit for scheme members previously employed by organisations in their areas. A full analysis of the pension liability is provided in Note 18 to the accounts.

We continue to diversify our funding base, secure new grants and commissions, and manage costs effectively. The staff team of approximately **130,** together with more than **200 Volunteers,** delivers services through hybrid and flexible working arrangements and has expanded with the addition of Gosport Voluntary Action.

Income Sources

Key income streams included:

- Infrastructure grant from Hampshire County Council (HCC) for VCSE local infrastructure support and volunteering
- Grants from Havant, East Hampshire, Fareham, and New Forest councils
- Eastleigh Borough Council VCSE infrastructure contract (from April 2024)
- Hampshire & IOW Integrated Care Board funding for health and wellbeing forums and the Social Prescribing Network
- Hampshire County Council (HCC) contracts for Community Transport, Dial-A-Ride, Call & Go, SEN school transport, and Wheels to Work
- Fare income from transport services
- HCC investment in Demand Responsive Transport services in Andover and subsequent Portsmouth City Council investment in Pompey Link Service (launched in 2025)
- Ministry of Justice/Office of Police & Crime Commissioner, HCC and NHS grants for START Counselling
- Hampshire Learns funding for training (to July 2024)
- Grants and hire income for Shopmobility from Winchester, Fareham, and Chichester councils
- National Lottery Community Fund for Positive Pathways, Timebanking, Wheels for Freedom and community projects
- Lottery and HCC grants for the New Forest Young Carers programme
- Legacy donation of £42,000 from Acts of Kindness to support Gosport and Fareham communities

Reserves Policy

The Board maintains reserves to cover key eventualities, including:

- Up to six months of planned running costs
- A designated reserve for unforeseen events and funding gaps
- Outstanding rent, lease, and hire commitments
- Provision for legal costs and property dilapidations
- Specific funds as determined by the Board
- The Community First Investment Fund to pilot innovative services and reduce dependence on public sector funding
- Restricted reserves to cover unspent funds for restricted purposes
- Provision against general reserves for pension obligations

At 31 March 2025, unrestricted reserves totalled **£2,091,373**. Of this, **£25,821** supports ongoing activities, **£346,346** underwrites leasehold property amortisation, **£500,000** covers unforeseen events, and **£1,219,206** is held in the Community First Investment Fund.

Managing Risk

Risk Management Framework

A comprehensive Risk Register identifies key risks and mitigation actions. It is reviewed regularly by the Board and Senior Leadership Team, with systems and procedures in place to reduce the likelihood and impact of risks.

Key Strategic Risks

The most significant ongoing risk is our dependence on public sector contracts and grants, particularly from Hampshire County Council, which are vulnerable to reductions due to pressures on public finances. We anticipate significant cuts to local authority grants and commissioned services in 2025/26—particularly in Community Transport and Community Development—while demand for our services increases. The Wheels to Work scheme ceased in April 2025.

To address these challenges, we are:

- Reducing reliance on core grants
- Diversifying income streams
- Managing costs and adjusting staffing and office expenses
- Exploring partnerships, collaborations, and potential mergers

- Expanding transport services and wellbeing programmes
- Introducing customer contributions where appropriate
- Leveraging assets and expertise to generate reinvestable income

Operational and Financial Controls

We maintain strict internal controls for authorising transactions and payments to reduce financial risk and prevent fraud. Only authorised signatories may enter into grant agreements, make payments, or commit the organisation to contractual obligations. Financial procedures are reviewed annually, and we work closely with our bank to ensure robust fraud prevention.

Safeguarding and Service Delivery Risks

We deliver services to vulnerable individuals—including older adults, people with disabilities, those experiencing mental illness or trauma, and young carers—making safeguarding a top priority. High-risk services include:

- **Transport Services:** Road traffic risks and support for frail or disabled passengers, including moped and mobility scooter hire
- **Supported Volunteering:** Supporting individuals with mental health conditions, substance misuse histories, or criminal records
- **START Counselling:** Trauma-informed support for survivors of sexual abuse and violence
- **Young Carers Programme:** Supporting young people caring for family members with long-term conditions
- **Home Help Services:** Assisting older and disabled individuals to remain safe and independent at home
- **Close Encounters:** Providing advocacy and befriending for older adults in Gosport
- **Clanfield Sports Centre & Community Spirit:** Promoting safe community participation and combating isolation

Staff and Volunteer Wellbeing

We invest in staff wellbeing through:

- Family-friendly employment policies
- Hybrid and flexible working arrangements
- Ongoing training and development

- Regular reviews of health, safety, and safe operating procedures

Lessons learned are shared with commissioners and partners to continuously improve safety and service quality.

Directors' Responsibilities

The law applicable to charitable companies in England & Wales requires the Directors to prepare a Trustees' Report and financial statements each financial year, giving a true and fair view of the charity's financial activities and position. In preparing the financial statements, the Directors must:

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

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy the financial position of the company and ensure compliance with the Companies Act 2006 and the Charities Act 2011. They are also responsible for safeguarding the company's assets and taking reasonable steps to prevent and detect fraud and other irregularities.

- There is no relevant audit information of which the company's auditors are unaware; and
- The Directors have taken all steps necessary to make themselves aware of any relevant audit information and to ensure the auditors are aware of it.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies. A combined Directors and Trustees' Report is presented to meet company law requirements.

Approved by the Board and signed on its behalf by:



Date : 23 September 2025

Sara Tiller
Chairperson, Trustee and Director

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITIES FIRST WESSEX FOR THE YEAR ENDED 31 MARCH 2025

Opinion

We have audited the financial statements of Communities First Wessex for the year ended 31 March 2025 which comprise the Statement of Financial Activities, Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Policies) including FRS102,' The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion, the financial statements:
- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025, and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

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

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

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

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

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

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

We have nothing to report in this regard

Opinion on Other Matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITIES FIRST WESSEX FOR THE YEAR ENDED 31 MARCH 2025

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

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

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

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level. Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.
The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.
Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

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

Use of our report

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

Stuart Mackie

Stuart Mackie (Senior Statutory Auditor)
for and on behalf of MC Audit Limited
Chartered Accountants
Statutory Auditors
Station House
North Street
Havant
Hampshire, PO9 1QU

Date: 10/10/2025

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

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2025
(Including Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
INCOME					
Donations and legacies	3	829,459	118,997	948,457	143,950
Investment Income		15,035	-	15,035	10,052
Trading Income					
Miscellaneous income		9,566	-	9,566	16,444
Charitable activities					
Grants & contracts	4	1,788,094	845,823	2,633,917	2,816,576
Fare revenue	4	246,955	-	246,955	204,343
Rental income	4	215,225	18,310	233,535	234,293
Other income	4	268,606	25,585	294,191	294,598
TOTAL INCOME		3,372,941	1,008,714	4,381,656	3,720,256
EXPENDITURE					
Fundraising		-	-	-	-
Charitable activities	7	2,665,332	1,077,633	3,742,966	3,700,701
TOTAL EXPENDITURE		2,665,332	1,077,633	3,742,966	3,700,701
Net (losses)/gains on investments	3	8,015	-	8,015	13,008
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		715,624	(68,919)	646,706	32,564
TRANSFERS BETWEEN FUNDS	14,15	-		-	-
Actuarial(losses)/gains on defined benefit pension funds	18	108,000	-	108,000	1,000
NET INCOME/(EXPENDITURE) FOR THE YEAR		823,624	(68,919)	754,706	33,564
FUND BALANCES BROUGHT FORWARD		1,258,176	457,914	1,716,090	1,682,526
FUND BALANCES CARRIED FORWARD		2,081,799	388,995	2,470,795	1,716,090

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

COMMUNITIES FIRST WESSEX **Company number: 8071971**
(Company limited by guarantee and not having a share capital)

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2025

	Note	£	2025 £	£	2024 £
FIXED ASSETS					
Tangible assets	9		738,909		222,399
Investments	10		161,361		153,346
			900,270		375,745
CURRENT ASSETS					
Stocks	11	3,521		3,174	
Debtors	12	343,377		310,883	
Cash at bank and in hand		1,731,414		1,549,768	
		2,078,311		1,863,825	
CREDITORS: amounts falling due within one year:	13	507,787		423,479	
NET CURRENT ASSETS			1,570,524		1,440,346
NET ASSETS EXCLUDING PENSION LIABILITY			2,470,795		1,816,090
Defined pension scheme liability	18		-		(100,000)
NET ASSETS INCLUDING PENSION LIABILITY			2,470,795		1,716,090
FUNDS					
UNRESTRICTED FUNDS					
Designated funds	15		872,167		531,858
General funds	15		1,209,633		592,318
Unrestricted funds excluding pension liability			2,081,800		1,124,176
Pension reserve	15		-		134,000
Total unrestricted funds			2,081,800		1,258,176
RESTRICTED FUNDS	14		388,995		457,914
TOTAL FUNDS			2,470,795		1,716,090

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

Approved by the trustees on 23 September 2025
and signed on their behalf by:





Sara Tiller
Chairperson

Ian Reeves
Deputy Chairperson

COMMUNITIES FIRST WESSEX **Company number: 8071971**
(Company limited by guarantee and not having a share capital)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025	2024
		£	£
Cash (used in)/ provided by operating activities	24	760,296	(434,981)
Cash flows from investing activities			
Interest income		15,035	10,052
Purchase of tangible fixed assets		(247,799)	(107,521)
Assets acquired on merger		(351,556)	(42,771)
Sale of tangible fixed assets		5,670	8,177
Cash provided by/(used in) investing activities		(578,650)	(132,063)
(Decrease)/increase in cash and cash equivalents in the year		181,646	(567,044)
Cash and cash equivalents at the beginning of the year		1,549,768	2,116,812
Cash and cash equivalents at the end of the year		1,731,415	1,549,768

COMMUNITIES FIRST WESSEX

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

1 STATEMENT OF COMPLIANCE

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

2 ACCOUNTING POLICIES

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

(a) **Basis of accounting**

Under an agreement withGosport Voluntary Action (1 October 2024), Community First New Forest (1 April 2020) , Winchester Area Community Action (1 May 2015) and Community Action Fareham (1 April 2018), certain funds were donated to Communities First Wessex and activities combined. These combinations are in substance a gift and the excess of the fair value of the assets received or the liabilities assumed is recognised as exceptional income in the Statement of Financial Activities. Additionally, Communities First Wessex assumed an obligation to fund the Winchester Area Community Action and Community Action Fareham pension liabilities. These liabilities are recognised as a loss in the Statement of Financial Activities and is shown as an exceptional expense in the year of merger.

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

(b) **Income**

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

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

c) **Expenditure**

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

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

(d) **Tangible Fixed assets**

Fixed assets are stated in the balance sheet at cost less depreciation. Fixed assets are capitalised for ongoing use within the company, where the individual cost of the asset exceeds £2,000.

Depreciation is provided so as to write off the cost of the fixed assets, less their residual value, in equal annual instalments over the estimated useful lives of the assets, at the following rates:

Plant and machinery	25% reducing balance
Fixtures, fittings and equipment	33% reducing balance and 10% straight line
Land and Buildings	Over the period of the lease

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

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

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

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

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

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

(i) **Recognition of liabilities**
A liability arises as soon as there is a legal or constructive obligation committing the charity to the expenditure.

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

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

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

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

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

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

The deficit on the scheme, representing the shortfall on the value of the scheme assets below the present value of the scheme liabilities is recognised as a liability on the balance sheet to the extent that the employer charity is able to recover a surplus or has a legal or constructive obligation for the liability. A corresponding pension reserve is included within total unrestricted funds. A proportion of the deficit; that part relating specifically to the former employees of Winchester Area Community Action, is the subject of a guarantee from Winchester City Council. In addition, that part relating specifically to the former employees of Community Action Fareham, is the subject of a guarantee from Fareham Borough Council.

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

(o) **Going Concern**

The trustees have prepared, reviewed and formally approved detailed trading and cash flow projections covering the period to 31 March 2026. On the basis of these projections they have assessed that CFW has adequate financial resources and the appropriate structures in place to manage its operational risks. In addition, the budgeting and forecasting process has taken account of the current economic and funding climate and its potential impact on our various sources of income and expenditure. Therefore, the Trustees are confident that there is a reasonable expectation that CFW has adequate resources and control mechanisms to continue in operational existence for the foreseeable future and, on this basis the Trustees believe, to the best of their belief and knowledge, that CFW remains a going concern for at least the period to March 2025 and, accordingly these financial statements have been prepared on the going concern basis.

3 NET INCOME/(EXPENDITURE)

Net (expenditure)/ income is stated after charging / (crediting):	2025	2024
	£	£
Donations	(948,457)	(143,950)
Depreciation	72,105	51,517
(Profit)/Loss on sale of assets	5,067	(1,152)
Unrealised(loss)/ gain on fixed asset investments	8,015	13,008
Auditor's remuneration - audit	8,000	8,000

Under the terms of a merger agreement with Gosport Voluntary Actions effective 1 October 2024 the reserves of that organisation were donated to Communities First Wessex and included in donations above - £808,878
In the previous year, under the terms of a merger agreement with Wheels For Freedom effective 1 September 2023, the reserves of that organisation were donated to Communities First Wessex and included in donations above - £78,804

4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Transport services	Information & support	Core activity	Total 2025	Total 2024
	£	£	£	£	£
Grants	130,392	864,776	338,751	1,333,919	1,673,237
Contracts	1,299,998	-	-	1,299,998	1,143,339
Fare income	246,955	-	-	246,955	204,343
Rental income	18,310	208,955	6,270	233,535	234,293
Other income	61,286	228,304	4,601	294,191	294,598
	1,756,941	1,302,036	349,622	3,408,598	3,549,810

Included in Grants above are the following amounts received from:	2025	2024
	£	£
UK Government grants	1,021,834	1,426,323
Grants- other agencies	312,085	246,914
	1,333,919	1,673,237

UK Government grants includes £273,162 received from the Ministry of Justice (OPCC) for support for victims of Rape and Sexual Abuse (2024 £263,036).Other grants includes £180,089 received from the BIG Lottery (2024 £136,056).

5 STAFF COSTS

	2025	2024
	£	£
Wages and salaries	2,001,089	1,968,123
Social security costs	143,183	141,584
Pension contributions	61,366	70,253
Redundancy costs	37,279	59,784
	2,242,918	2,239,745

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

One employee received emoluments over £60,000 during the current year (2024: 1)

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

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

	2025	2024
Provision of services	106	105
Management & administration	11	10
	117	115

Key management personnel	2025	2024
	£	£
Remuneration paid to key management personnel during the year (11), 2024(11)	438,206	484,295

6 VOLUNTEERS

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

7 CHARITABLE ACTIVITIES

	Transport services	Information & support	Core activity	Total 2025	Total 2024
	£	£	£	£	£
COSTS DIRECTLY ALLOCATED TO ACTIVITIES					
Staff costs	894,620	720,654	286,985	1,902,259	1,882,300
Volunteer costs	1,508	704	154	2,366	4,460
Transport costs	380,221	-	-	380,221	334,874
Administration	47,341	75,387	14,943	137,671	94,572
Depreciation and (profit)/ loss on sale of assets	57,131	3,432	16,608	77,171	54,345
Other direct costs	19,108	423,499	18,922	461,529	563,960
	1,399,929	1,223,675	337,612	2,961,216	2,934,511
SUPPORT COSTS ALLOCATED					
Rent, rates & utilities	85,728	152,062	5,848	243,638	220,708
Staff costs	146,755	67,974	116,931	331,660	329,835
Administration	71,719	33,219	39,374	144,312	159,824
Provision for doubtful debts			5,604	5,604	509
Bank charges and interest	7,401	5,241	29	12,672	11,850
Governance Costs	8,565	3,180	15,119	26,864	18,464
Pension fund - current service cost	-	-	12,000	12,000	21,000
Pension fund - Interest cost	-	-	5,000	5,000	4,000
	320,168	261,676	199,905	781,750	766,190
	1,720,097	1,485,351	537,517	3,742,966	3,700,701

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

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

8 GOVERNANCE COSTS

	2025	2024
	£	£
Legal and professional fees	13,444	3,719
Audit, accountancy and actuarial fees	11,445	9,788
Cost of AGM and incidental trustee meetings	1,974	4,957
	26,864	18,464

9 TANGIBLE FIXED ASSETS

	Land and Buildings	Plant and machinery including Motor Vehicles	Fixtures fittings and equipment	Total
	£	£	£	£
Cost				
At 1 April 2024	30,310	420,160	175,061	625,531
Additions	348,420	244,942	5,989	599,351
Disposals	-	(21,663)	(6,365)	(28,028)
At 31 March 2025	378,730	643,439	174,685	1,196,854
Depreciation				
At 1 April 2024	541	281,939	120,652	403,132
Charge for the year	4,239	51,442	16,424	72,105
Eliminated on disposal	-	(15,875)	(1,416)	(17,291)
At 31 March 2025	4,780	317,506	135,660	457,946
Net book value				
At 31 March 2025	373,950	325,933	39,025	738,909
At 1 April 2024	29,769	138,221	54,409	222,399

10 INVESTMENTS

	Unlisted investments
	£
Cost or Valuation	
At 1 April 2024	153,346
Additions	-
Revaluation	8,015
At 31 March 2025	161,361

11 STOCKS

	2025	2024
	£	£
Finished goods	3,521	3,174

12 DEBTORS

	2025	2024
	£	£
Trade debtors	110,198	138,044
Other debtors	66,903	39,824
Prepayments & accrued income	166,276	133,014
	343,377	310,883

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

13 CREDITORS: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	70,436	55,112
Other taxation and social security	36,283	59,302
Other creditors	39,521	47,289
Accruals & deferred income	361,546	261,776
	507,787	423,479

Deferred income

Deferred income is grants received for future accounting periods

	2025	2024
	£	£
Brought forward	219,348	704,909
Amounts released to incoming resources	(128,317)	(558,892)
Amounts deferred in year	218,533	73,331
Amounts carried forward	309,564	219,348

14 RESTRICTED FUNDS

	At 1 April 2024	Incoming resources	Outgoing resources	Transfers between funds	At 31 March 2025
	£	£	£	£	£
Young Carers	47,077	64,025	(76,198)	-	34,904
Wheels to Work	33,055	87,630	(94,060)	-	26,624
START	162,774	281,242	(324,145)	-	119,871
Positive pathways	-	58,096	(58,096)	-	-
Shopmobility Winchester	118,135	54,986	(48,922)	-	124,199
Shopmobility Winchester - asset fund	23,233		-	-	23,233
Woolmer Timebanking	-	71,773	(71,773)	-	-
Acts of Kindness	-	37,620	-	-	37,620
LCP projects	-	171,430	(171,118)	-	312
Gosport Lottery	-	11,013	(9,604)	-	1,409
Ukraine project		1,540	(447)	-	1,093
Community Spirit		3,415	(4,951)	-	(1,536)
Community Engagement		33,102	(33,102)	-	-
Close Encounters		64,033	(64,033)	-	-
Christmas Lunch Club	1,298	2,162	(1,230)	-	2,229
Monday Club	-	200	(75)	-	125
Wheels For Freedom	47,541	48,999	(87,095)	-	9,444
Health and Wellbeing	7,473	17,448	(17,448)	-	7,473
ITS your Choice	17,328		(15,334)	-	1,994
Total restricted funds	457,914	1,008,714	(1,077,633)	-	388,995

COMMUNITIES FIRST WESSEX

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

Comparative for funds movement

RESTRICTED FUNDS	At 1 April 2023 £	Incoming resources £	Outgoing resources £	Transfers between funds £	At 31 March 2024 £
Shopmobility Chichester	(22,942)	-	-	22,942	-
DART/Access group	7,032	-	-	(7,032)	-
SBS	(4,127)	-	-	4,127	-
Young Carers	35,090	85,005	(73,018)	-	47,077
Wheels to Work	36,163	86,915	(90,023)	-	33,055
START	211,930	306,253	(355,409)	-	162,774
Positive pathways	-	55,365	(55,365)	-	-
Shopmobility Winchester	110,473	57,455	(49,793)	-	118,135
Shopmobility Winchester - asset fund	24,108	-	(875)	-	23,233
Woolmer Timebanking	-	60,610	(60,610)	-	-
Young Volunteering	-	17,332	(17,332)	-	-
LCP projects	-	239,855	(241,177)	1,322	-
Community Friends	-	4,295	(12,373)	8,078	-
Health and Wellbeing	(186)	117,177	(127,130)	17,612	7,473
Christmas Lunch Club	1,275	2,521	(2,498)	-	1,298
Wheels for Freedom	-	88,051	(40,510)	-	47,541
Its Your Choice	-	31,328	(14,000)	-	17,328
Total restricted funds	398,817	1,152,161	(1,140,113)	47,049	457,914

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

Wheels to work

Provision of a moped service for young people travelling to work

Christmas Lunch Club

An annual event for those who would otherwise be alone on Christmas Day

START

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

Shopmobility/Wheels For Freedom

Hire out of Shopmobility vehicles such as wheel chairs and electric scooters in Winchester and Poole

Acts of Kindness

A fund set up to assist those in need in Gosport and Fareham

Monday Club

A social club for isolated people in North West Fareham

Positive Pathways

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

Community Spirit

To support local residents who need assistance to volunteer in Gosport

Community Engagement

A Big Lottery funded project to support local groups in Gosport

Close Encounters

A Big Lottery funded befriending and advocacy service in Gosport

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

14 RESTRICTED FUNDS (continued)

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

LCP projects
Ac co-ordination project for the Local Children's partnership board

Its Your Choice
To support young people in the New Forest

Gosport Community Lottery
A grant scheme for groups in Gosport funded through Community Lottery income

Ukraine Project
To support Ukrainian families in Gosport

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

Health and Wellbeing
A number of connected projects from NHS resources

15 UNRESTRICTED FUNDS

		At 1 April 2024 £	Incoming resources £	Outgoing resources £	Transfers between funds £	At 31 March 2025 £
Designated funds						
.Leasehold buildings amortisation fund		-	-	(2,074)	348,420	346,346
Transport services Havant - asset fund		6,949	-	(1,735)	-	5,214
Transport Winchester - asset fund		3,867	-	(967)	-	2,900
Transport services East Hampshire - asset fund		20,157	-	(2,450)	-	17,707
Transport services New Forest - asset fund		885	-	(885)	-	-
		31,858	-	(8,111)	348,420	372,167
Required reserves policy		500,000	-	-	-	500,000
Community First Investment Fund		641,318	3,380,956	(2,549,221)	(263,420)	1,209,633
General funds excluding exceptional item		641,318	3,380,956	(2,549,221)	(263,420)	1,209,633
Obligation to fund WACA, CAF and CFNF pension liability	15	(49,000)	-	-	49,000	-
		592,318	3,380,956	(2,549,221)	(214,420)	1,209,633
Pension reserve (Deferred pension liability £100,000 less obligation of £49000, and net movement of £176,000)	15	134,000	-	-	(134,000)	-
Total unrestricted funds		1,258,176	3,380,956	(2,557,332)	-	2,081,800

` **COMMUNITIES FIRST WESSEX**
(Company limited by guarantee and not having a share capital)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

15 **Comparative for funds movement**

UNRESTRICTED FUNDS	At 1 April 2023 £	Incoming resources £	Outgoing resources £	Transfers between funds £	At 31 March 2024 £
Designated funds					
Transport services Havant - asset fund	9,262	-	(2,313)	-	6,949
Transport Winchester - asset fund	5,156	-	(1,289)	-	3,867
Transport services East Hampshire - asset fund	22,889	-	(2,732)	-	20,157
Transport services New Forest - asset fund	2,268	-	(1,383)	-	885
	39,575	-	(7,717)	-	31,858
Other					
Required reserves policy	350,000	-	-	150,000	500,000
	350,000	-	-	150,000	500,000
Community First Investment Fund	810,134	2,581,104	(2,552,871)	(197,049)	641,318
General funds excluding exceptional item	810,134	2,581,104	(2,552,871)	(197,049)	641,318
Obligation to fund Winchester Area Community Action Community action Fareham pension liability	(49,000)	-	-	-	(49,000)
	761,134	2,581,104	(2,552,871)	(197,049)	592,318
Pension reserve (Deferred pension liability £1071,000 less WACA reserve £458,000, CAF reserve of £166,000 and CFNF reserve of £245,000 and costs of £130,000 included within support costs)	133,000	-	1,000	-	134,000
Total unrestricted funds	1,283,709	2,581,104	(2,559,588)	(47,049)	1,258,176

Community First Investment Fund
To support new initiatives and projects

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	TOTAL 2025 £	TOTAL 2024 £
Fixed assets	869,422	30,848	900,270	375,745
Current assets	1,570,115	508,196	2,078,311	1,763,825
Liabilities	(356,093)	(151,694)	(507,787)	(423,479)
	2,083,445	387,350	2,470,795	1,716,090

17 DEFINED CONTRIBUTION PENSION SCHEME
The company operates a defined contribution pension scheme . The assets of the scheme are held separately from those of the company in an independently administered fund. The pension commitment under this scheme for 2025 was £44,372 (2024: £43,119). There were 69 members in the scheme at the year end (2024: 60).

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

18 DEFINED BENEFIT PENSION SCHEME

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

There was no deferred pension liability included in the Balance Sheet at 31 March 2025 as disclosed in the pension scheme's actuarial report for that year.

Winchester City Council has guaranteed to underwrite any deficit arising from the pension fund valuation in respect of those members of the scheme previously employed by WACA. At 31 March 2025, this amounted to approximately £0(at 31 March 2024 £39,852). Fareham Borough Council has guaranteed to underwrite any deficit arising from the pension fund valuation in respect of those members of the scheme previously employed by CAF. At 31 March 2025, this amounted to approximately £0, (at 31 March 2024 £13,481).

The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent full valuation was at 31 March 2022, which has been updated to reflect conditions at the balance sheet date. The assumptions that have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rate of increase in salaries and pensions. It was assumed by the actuaries that salary increases would average 3.8% per year and that the present and future pensions would increase at the rate of 2.8% per year.

The HCC Pension liability shown in the Accounts is based on the last HCC Pension Fund (the scheme) valuation dated 31st March 2022 and would have been the sum payable to the scheme had Community First exited the scheme at that date.

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

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

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

Consequently, HCC has changed the basis on which investments are made using these organisations' funds, in future managing their investments in the same way as funds are managed for HCC and other large organisations in the scheme. The impact of this change, based on an exit as at 31 March 2022, would be to reduce the total notional exit liability of Community First from £675,000 to £0, which becomes the material liability of the organisation.

The pension charge for the year was £16,994 (2024 £27,282),

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

	2025		2024	
Value of scheme assets and liabilities		**£**		**£**
Fair value of assets		3,748,000		3,781,000
Present value of fund liabilities		(3,409,000)		(3,881,000)
Pension scheme deficit		339,000		(100,000)
Movements in year				
Service cost	(12,000)		(21,000)	
Interest cost	(5,000)		(4,000)	
		(17,000)		(25,000)
Contributions		9,000		16,000
Actuarial (losses)/gains on assets and liabilities		108,000		1,000
Movements in the year		100,000		(8,000)
Pension scheme deficit at 1 April				
- WACA	(39,852)		(36,664)	
- CAF	(13,482)		(12,403)	
- CFNF	(20,592)		(18,945)	
- CFHEH	(26,074)		(23,988)	
		(100,000)		(92,000)
Pension scheme deficit at 31 March		-		(100,000)

Per the SORP, the plan surplus is a defined benefit plan asset and it is recognised to the extent that the charity is able to recover the surplus either through re
future or through refunds from the plan. Therefore, the asset will not be recognised as the pension fund has confirmed that there will be no refunds or reduce

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NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

19 RELATED PARTIES

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

20 CONTROLLING PARTY

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

21 OPERATING LEASE COMMITMENTS

As at 31 March 2024 the charity had future minimum lease payments under non-cancellable operating leases as follows;

Operating leases which expire:

	Land and buildings		Other	
	2025	**2024**	**2025**	**2024**
Within 1 year	28,948	34,548	63,864	35,988
Between 2 to 5 years	44,596	66,884	163,788	65,772
Over 5 years	-	-	4,896	-
	73,544	101,432	232,548	101,760

Within the Statement of Financial Activities are expenses totalling £123,267 relating to operating leases (2024 £128,673)

22 CAPITAL COMMITMENTS

As at 31 March 2025 the company did not have any capital commitments (2024 £nil)

23 POST BALANCE SHEET EVENT

There are no post balance sheet events

24 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2025	**2024**
	£	**£**
Net movement in funds	754,706	33,564
Add back depreciation charge	72,105	51,517
Add profit on disposal of fixed assets	5,067	(1,152)
(Gain)/ loss) on investments	(8,015)	(13,008)
Deduct interest income shown in investing activities	(15,035)	(10,052)
Increase in stock	(347)	(1,020)
Decrease /(Increase) in debtors	(32,493)	82,583
Increase/(decrease) in creditors	84,308	(585,414)
Movement in pension fund	(100,000)	8,000
Net cash used in operating activities	760,296	(434,981)

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025 (continued)

25 **COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES**

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024
(Including Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2,024 £	Total 2,023 £
INCOME					
Donations and legacies	3	20,770	123,180	143,950	33,384
Investment Income		10,052	-	10,052	2,402
Trading Income					
Miscellaneous income		16,444	-	16,444	22,410
Charitable activities					
Grants & contracts	4	1,819,662	996,914	2,816,576	2,664,658
Fare revenue	4	204,343	-	204,343	161,392
Rental income	4	214,377	19,916	234,293	193,507
Other income	4	282,447	12,151	294,598	268,771
			-	-	-
TOTAL INCOME		2,568,095	1,152,161	3,720,256	3,346,525
EXPENDITURE					
Fundraising		-	-	-	-
Charitable activities	7	2,560,588	1,140,113	3,700,701	3,261,251
Exceptional item:					
Obligation to fund Community First New Forest pension liability expensed	18	-	-	-	-
TOTAL EXPENDITURE		2,560,588	1,140,113	3,700,701	3,261,251
Net (losses)/gains on investments	3	13,008	-	13,008	(6,994)
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		**20,515**	**12,048**	**32,564**	**78,280**
TRANSFERS BETWEEN FUNDS	14,15	**(47,049)**	**47,049**	**-**	**-**
Actuarial(losses)/gains on defined benefit pension funds	18	1,000	-	1,000	629,000
NET INCOME/(EXPENDITURE) FOR THE YEAR		(25,534)	59,097	33,564	707,280
FUND BALANCES BROUGHT FORWARD		1,283,709	398,817	1,682,526	975,246
FUND BALANCES CARRIED FORWARD		1,258,176	457,914	1,716,090	1,682,526

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

COMMUNITIES FIRST WESSEX

England & Wales - Charity number 1147527

Accounts

COMMUNITIES FIRST WESSEX

Company number: 08071971

REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2024

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

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

Charity registration number: 1147527

Company registration number: 8071971

Business address

Leigh Park Community Centre
Dunsbury Way
Leigh Park
Havant
PO9 5BG

Auditors & Registered office address

Morris Crocker
Station House
50 North Street
Havant
PO9 1QU

Bankers

Lloyds Bank PLC
West Street
Havant

Directors / Trustees during the year and to date

Beverley Jones	Chairman during the year, Resigned 31 July 2024
Trevor Lewis	Resigned 1 April 2023
Janet Lefley	Vice Chair during year (Appointed Chair 31 July 2024)
Jennifer Owens	Resigned 24 November 2023
Dr John Evans	
Denis Gibson	Resigned 31 March 2024
Clive Graham	
Paul Kirkwood	(Appointed Vice Chair 31 July 2024)
David Eley	Resigned 30 September 2024
Tina Pullin	Appointed 6 December 2023
Vivienne Carter	Appointed 8 March 2024
Ezra Yinnon	Appointed 8 September 2023, Resigned 15 January 2024
Clare Savage	Appointed 12 September 2024
Simon Ap Mortimore	Appointed 12 September 2024
Owain Little	Appointed 12 September 2024

Chief Executive Officer

Tim Houghton

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

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2024

Chairman's Foreword

Welcome to this Annual Report of the Trustees and Directors of Communities First Wessex (CFW) for the year ending March 2024

CFW continues to play a key role in developing a thriving voluntary sector across Hampshire, empowering communities, mobilising our members and delivering critical community services to make life better for everyone.

CFW has had another solid year, further strengthening and delivering our purpose by securing new income and delivering high-quality services. We have continued to support individuals, communities and organisations in tackling the impact of the cost-of-living and in developing new services in the post pandemic world. We have also supported partners and organisations providing refuge for those fleeing the war in Ukraine. Our success has resulted in a strong balance sheet, an increase in unrestricted reserves and demonstrable social impact.

Our outstanding staff team and volunteers continue to support the most vulnerable groups and individuals in our community making sure that their needs are identified and met. The Board recognise the difficult future which all charities are entering and have overseen a robust root and branch review of the organisation to make sure we are fit for purpose going forward. The Board continue to drive the organisation to continue to achieve our joint vision and to adapt and change to meet the new challenges as they arise. We believe that the organisation supported by the staff and volunteer teams are best placed to lead and support our members and community organisations into the future.

The Board are aware that without the staff team and volunteers CFW would not be the successful organisation that it is. We are in awe of the commitment and passion that the staff team continue to bring to their work despite concerns about funding. We would like to thank Tim and his staff team for rising to the challenges that the last year has bought. We would particularly like to thank all of those staff and volunteers involved in direct delivery without whom CFW would not be the high performing organisation that it is.

As Chair I would also like to thank all of the current and past Board members for their commitment to CFW and the time that they give up to support and drive the organisation forward. Without their time, energy and skills we would be a much depleted organisation.

CFW would like to thank Hampshire County Council for their support this year and their ongoing commitment to supporting some services into 2025. We would also like to thank our Borough and District Councils for their support and funding as well as the many Parish and Town Councils whom we have interacted with this year.

We would also like to extend our thanks to all of our partners across the last year and especially to all of our members for their continuing support of CFW. Together we will go forward into 24/25 stronger and committed to building new partnerships working together to support those in our communities who are mist vulnerable. We are determined to continue to provide support to our members to generate additional funds to continue to deliver the outstanding support services that they currently deliver.

Jan Lefley – Chairperson

Management and Governance

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

CFW was created following the merger of 5 district CVSs operating at scale with central management and governance, whilst retaining local teams and services embedded in and reflecting the needs of the communities we serve. We are continuing this strategy by merging with Gosport Voluntary Action in October 2024 and by delivering support to organisations in Eastleigh under contract with Eastleigh Borough Council from April 2024

Board of Directors and Senior Management

The Trustees of the Charity are Directors of the Company. They are responsible for setting the strategy of CFW, ensuring effective financial stewardship and governance. An Executive Committee meets monthly to support the main board, ensuring we have the resources, staff and capacity to deliver the strategy and meet our financial targets. Task-specific groups are created when required.

The Senior Leadership Team comprising the Chief Executive, Chief Operating Officer and Finance Director is responsible for the day-to-day management of the organisation, partnership and programme development and service delivery. The structure and priorities of the Senior Leadership Team are regularly reviewed by the Board of Directors taking account of future funding requirements and changes.

Recruiting and Supporting Directors

- We draw on the skills and experience of existing Directors matching these to the needs and activities of the business set out in our strategy
- Skill gaps are identified by the Executive Committee and actions to address these are agreed by the board. Nominations are invited throughout the year through open adverts alongside contact with members, partners and individuals with the requisite skills and experience and we advertise through local networks, contacts and companies.
- We are mindful of the need to ensure a diverse board reflecting the communities with which we work and the groups we support.
- Directors are provided with background information about the organisation, our work and values and the wider role of serving as a charity Trustee using the Charity Commission's recommended guidance.
- Directors are offered training and encouraged to attend events and meet staff and volunteers to gain a good understanding of some of the challenges and opportunities we face
- We have recruited new Directors during 2023/24 and will continue to do so during 24/25 to replace those who have retired and to ensure we have the necessary skills and expertise to deliver our objectives.

Aims, Objectives, Activities and Achievements

The Charity's objects are:

a) to promote any charitable purposes for the benefit of the public in Hampshire and surrounding areas, including the advancement of education, the protection of health

and the relief of poverty, distress and sickness, and to provide people with the necessary support, information and services to enable them to pursue or contribute to charitable purposes.

b) to promote, organise and facilitate co-operation and partnership working between third sector, statutory and other relevant bodies in Hampshire and its environs.

Delivering public benefit

Communities First Wessex (CFW) supports a thriving, active and influential voluntary sector across Hampshire and surrounding areas, through our leadership of the Hampshire CVS network and direct delivery in East Hampshire, Havant, Winchester, Fareham, Eastleigh, Gosport and the New Forest. We also deliver transport services in Basingstoke & Deane and Gosport and trauma-informed and sexual abuse counselling throughout north and mid Hampshire. Our Health and Wellbeing and Social Prescribing networks provide countywide support to all organisations supporting people in need.

As a membership organisation we believe that we are stronger by working together. We've continued to grow our membership, holding successful network events throughout the year and providing effective digital self-serve toolkits and resources enabling us to offer more and better support to local VCSE organisations.

Our performance and achievements in 2023/24

- Directly supported and engaged 660 VCSE organisations
- In September 2023 we merged with Wheels For Freedom, a charity providing mobility services in Dorset and based in Poole. This further enhanced our Shopmobility offer.
- Recruited and mobilised an additional 448 volunteers and 130 young volunteers, and engaged 350 clients on our Positive Pathways supported volunteering programme. 196 new organisations signed up to our Volunteering programme reflecting the appetite and demand for more volunteers We also delivered 2,027 hours of volunteer time on our Timebank initiative based in Woolmer Forest, Bordon in East Hampshire.
- Secured £434,000 of additional investment in VCSE organisations.
- Trained 1,950 learners including upskills volunteers and paid staff in VCSE sector and supporting those facing barriers to employment.
- Carried 49,900 passengers on our community transport, 64,400 school passengers on 3,500 school bus journeys, and 23 hirers benefitted from our Wheels to Work moped hires. Our mobility scooters were hired 3,500 times from our shopmobility locations and from events including Goodwood and the New Forest Show.
- Had 82,000 visits to our Community Hubs in Clanfield and Leigh Park
- Supported 175 young carers in the New Forest and provided over 1500 respite hours through activities
- Helped 494 victims of sexual trauma and abuse through our START counselling service.

- Provided a lifeline to 254 clients of our Home Help service and helped 162 households with gardening.

- Supported 40 High Intensity Users through our community support service and delivered 760 healthy walks helping people keep active, stay well and socially connected.

Financial Review

Revenue grew, and overall financial performance remained strong. We had a total income of £3.720m in 2023/24, compared to £3.346m in 22/23.

The Charity has a defined salary pension scheme with Hampshire County Council. The adjustment in the actuarial valuation on our defined salary pension scheme resulted in a loss (before administration costs) of £1k (2022/23 £629K). HCC now manages our investments in the same way as funds are managed for HCC and other large organisations in the scheme. This significantly reduces the total notional exit liability of Community First from £675k to £100k. Winchester City Council and Fareham Borough Council guarantee to underwrite any deficit arising from the pension fund valuation in respect of those members of the scheme previously employed by organisations operating in their respective areas. At 31 March 2024, this amounted to approximately £36.6k for Winchester and £13.5k for Fareham. A full analysis of the pension liability including deferred liability, guaranteed underwriting, top up payments and charges and residual material liability is set out in note 18 to the accounts.

The charity continues to take appropriate steps to diversify its funding base, securing further grants and commissions, managing costs and identifying new sources of income to build on its strengths and track record in public service delivery and to support the voluntary and community sector. We have retained our overall staff team of @ 120 delivering hybrid and flexible working to balance capacity with opportunity.

Income sources

Principal sources of funding include;

- Infrastructure grant from Hampshire County Council with CFW reappointed as single contracted organisation to deliver infrastructure support for VCSE and encourage volunteering and grants from Havant Borough Council, East Hampshire District Council, Fareham Borough Council, and New Forest District Council. A new VCSE infrastructure support service started in Eastleigh in April 2024, commissioned by Eastleigh Borough Council.
- Grant funding from Hampshire and IOW Integrated Care Board to support health & wellbeing forums, the Social Prescribing Network and deliver wellbeing programmes tackling health inequalities and those in need of additional support.
- Hampshire County Council contracts supported by the Boroughs and Districts, for Community Transport, Dial-A-Ride, Call and Go and SEN school transport contracts and Wheels to Work. Further income was generated from fares.
- Ministry of Justice grant (administered by the Office of Police & Crime Commissioner), and HCC grant for START counselling and Lotus residential service.
- Hampshire Learns funding (via HCC) for training with an increase in value and number of Lots delivered.
- Grants from Winchester City Council, Fareham Borough Council & Chichester District Council and hire income from customers and events for Shopmobility.

- The National Lottery Community Fund for Positive Pathways in Havant and to support Time Banking in Woolmer Forest and to deliver the final year of our Youth Volunteering Programme.
- The Lottery and grant funding from HCC also supported our New Forest Young Carers programme.
- We received a legacy donation from Its Your Choice following their closure and subsequent winding upto support Young People in the New Forest.
- Following merger with Wheels For Freedom we received a donation of cash and assets of £78K and took on a further lottery grant funded programme and other grants

Reserves

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

- Unrestricted reserves equivalent to up to 6 months of planned running costs in line with Charity Commission guidelines and Company Law.
- A designated reserve was created to cover unforeseen events and the possibility that funding might not always be obtained. The calculation of this reserve considers
    - Six months support services' running costs
    - Outstanding rent commitments (up to break clause dates)
    - Outstanding lease and hire commitments to end of contract
    - Provision for legal costs
    - Provision for property dilapidations
- The Purpose of designating reserves is to
    - cover any loss on realisation of any fixed assets and any additional contractual liabilities
    - accumulate funds for specific purposes as determined by the Board of Trustees from time to time.
    - invest in innovative services which can be piloted and tested to better meet the needs of our beneficiaries including vulnerable people by the creation of the Community First Investment Fund. The aim of such enterprises and innovative services is to reduce the charity's dependence on public sector funding by finding more reliable sources of funding for its services.
- Restricted reserves are held to cover the extent that funds for restricted purposes have not been fully expended. No additional reserves will be established for restricted projects. This policy enables CFW to continue operations whilst awaiting receipt of Grants many of which are paid in arrears, to pay contractual liabilities in the event that grants are discontinued or significantly reduced whilst services are realigned and to recover the potential loss on fixed asset investments in the event that funding is withdrawn, or contracts ended prematurely.
- A provision will be maintained against general reserves to offset the Charity's obligation to fund any deficit on the Hampshire County Council pension fund scheme. This provision will be reviewed and if necessary revised annually in line with the Actuarial valuation.

At 31 March 2024 we have £1,258,176 in unrestricted reserves. £31,858 of this is designated to support the development of on-going activities (see note 15). A reserve of £500,000 has been created to cover any unforeseen events as well as the possibility that funding might not always be obtained and ensure continuity of our core function and services for at least 3 months. The Community First Investment Fund has £641,318 to help us to access new funding and income streams and pump prime innovative ideas for new services for our beneficiaries.

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

Managing Risk

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

Our significant risks
We face significant on-going risk to our revenues which are predominantly from public sector contracts and grants, principally HCC, which are subject to future public sector spending cuts and threats to the overall public finance position as costs of delivering statutory social care and children's services increase and global economic uncertainty prevails. Expenditure remains under close scrutiny as local authority grants and commissioned services are subject to significant cuts in 2025 in Community Transport and Community Development resulting in less money at a time when demand for our services and requests for support from our members is increasing. We are reducing our reliance on core grants and diversifying our activities to attract new sources of income. We are also cutting costs and adjusting staffing levels and office costs accordingly. We continue to explore opportunities to further increase scale, impact and generate revenues, through partnership working, collaboration and possible mergers. We are also exploring new opportunities for generating sales and raising revenue by expanding our transport, diversifying our training and growing wellbeing services which are in high demand. As public sector funding continues to diminish more customer/beneficiaries may be asked to pay towards services, but we are also seeking opportunities to maximise our assets and expertise to generate income which can be reinvested in essential community support and services.

We maintain strict internal controls and procedures for authorising transactions and payments which reduce financial risks and minimise risk of fraud. Only authorised signatories can sign or commit the organisation to enter into grant agreements, make payments and contractual or other liabilities. We review our financial procedures annually to ensure that authorisation levels remain appropriate and robust and work closely with our bank to minimise risk of fraud

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

Our high risk services include;

- Transport: risk of road traffic collisions and in assisting frail and disabled passengers on and off vehicles and in hiring Mopeds (Wheels to Work) and mobility scooters
- Supported Volunteering providing social connections, volunteering, work experience and support for people with mental illness and other health conditions, including those with a history of substance misuse and ex-offenders, helping them rebuild their confidence and contribute to society.
- START providing specialist support for survivors of childhood sexual abuse or recent sexual violence and trauma
- Young Carers; providing support for young people in looking after family members with long-term conditions

- Home Helps; helping older and disabled people to stay safe and well in their own homes
- Clanfield Sports Centre; helping people participate in sporting and leisure activities

We invest in and provide wellbeing support to staff, offer family-friendly employment contracts and policies and have embedded hybrid working which has flexibility to balance staff and organisational priorities. We continue to invest in staff training, ensuring compliance with health and safety and safe operating procedures. Procedures are in place and are reviewed regularly to protect our staff, volunteers and service users. Lessons learnt are shared with commissioners and partners and are used to amend procedures to provide a safe and enjoyable experience for service users, staff and volunteers.

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

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

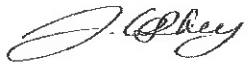
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

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

Approved by the Board and signed on its behalf by:



.....
Jan Lefley

Date: 30 September 2024

Chair of Board of Directors

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITIES FIRST WESSEX FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of Communities First Wessex for the year ended 31 March 2024 which comprise the Statement of Financial Activities, Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Policies) including FRS102,' The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard

Opinion on Other Matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITIES FIRST WESSEX FOR THE YEAR ENDED 31 MARCH 2024

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

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

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

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level. Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

Audit substantive tests concluded no material errors over the key risk areas of income recognition and management override.
The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.
Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITIES FIRST WESSEX FOR THE YEAR ENDED 31 MARCH 2024

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

Stuart Mackie FCA (Senior Statutory Auditor)
For and on behalf of Morris Crocker Limited

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

Date: 2/10/24

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

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2024
(Including Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
INCOME					
Donations and legacies	3	20,770	123,180	143,950	33,384
Investment Income		10,052	-	10,052	2,402
Trading Income					
Miscellaneous income		16,444	-	16,444	22,410
Charitable activities					
Grants & contracts	4	1,819,662	996,914	2,816,576	2,664,658
Fare revenue	4	204,343	-	204,343	161,392
Rental income	4	214,377	19,916	234,293	193,507
Other income	4	282,447	12,151	294,598	268,771
			-	-	-
TOTAL INCOME		2,568,095	1,152,161	3,720,256	3,346,525
EXPENDITURE					
Fundraising		-	-	-	-
Charitable activities	7	2,560,588	1,140,113	3,700,701	3,261,251
TOTAL EXPENDITURE		2,560,588	1,140,113	3,700,701	3,261,251
Net (losses)/gains on investments	3	13,008	-	13,008	(6,994)
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		20,515	12,048	32,564	78,280
TRANSFERS BETWEEN FUNDS	14,15	(47,049)	47,049	-	-
Actuarial(losses)/gains on defined benefit pension funds	18	1,000	-	1,000	629,000
NET INCOME/(EXPENDITURE) FOR THE YEAR		(25,534)	59,097	33,564	707,280
FUND BALANCES BROUGHT FORWARD		1,283,709	398,817	1,682,526	975,246
FUND BALANCES CARRIED FORWARD		1,258,176	457,914	1,716,090	1,682,526

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

COMMUNITIES FIRST WESSEX **Company number: 8071971**
(Company limited by guarantee and not having a share capital)

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2024

	Note	£	2024 £	£	2023 £
FIXED ASSETS					
Tangible assets	9		222,399		130,651
Investments	10		153,346		140,338
			375,745		270,989
CURRENT ASSETS					
Stocks	11	3,174		2,154	
Debtors	12	310,883		393,464	
Cash at bank and in hand		1,549,768		2,116,812	
		1,863,825		2,512,430	
CREDITORS: amounts falling due within one year:	13	423,479		1,008,893	
NET CURRENT ASSETS			1,440,346		1,503,537
NET ASSETS EXCLUDING PENSION LIABILITY			1,816,090		1,774,526
Defined pension scheme liability	18		(100,000)		(92,000)
NET ASSETS INCLUDING PENSION LIABILITY			1,716,090		1,682,526
FUNDS					
UNRESTRICTED FUNDS					
Designated funds	15		531,858		389,575
General funds	15		592,318		761,134
Unrestricted funds excluding pension liability			1,124,176		1,150,709
Pension reserve	15		134,000		133,000
Total unrestricted funds			1,258,176		1,283,709
RESTRICTED FUNDS	14		457,914		398,817
TOTAL FUNDS			1,716,090		1,682,526

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

Approved by the trustees on 30 September 2024
and signed on their behalf by:

Jan Lefley
Chairperson

Paul Kirkland
Deputy Chairperson

COMMUNITIES FIRST WESSEX **Company number: 8071971**
(Company limited by guarantee and not having a share capital)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024	2023
		£	£
Cash (used in)/ provided by operating activities	24	(434,981)	409,314
Cash flows from investing activities			
Interest income		10,052	2,402
Purchase of tangible fixed assets		(107,521)	(19,071)
Assets acquired on merger		(42,771)	-
Sale of tangible fixed assets		8,177	0
Cash provided by/(used in) investing activities		(132,063)	(16,669)
(Decrease)/increase in cash and cash equivalents in the year		(567,044)	392,645
Cash and cash equivalents at the beginning of the year		2,116,812	1,724,167
Cash and cash equivalents at the end of the year		1,549,768	2,116,812

COMMUNITIES FIRST WESSEX

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024

1 STATEMENT OF COMPLIANCE

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

2 ACCOUNTING POLICIES

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

(a) **Basis of accounting**

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

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

(b) **Income**

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

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

c) **Expenditure**

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

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

(d) **Tangible Fixed assets**

Fixed assets are stated in the balance sheet at cost less depreciation. Fixed assets are capitalised for ongoing use within the company, where the individual cost of the asset exceeds £2,000.

Depreciation is provided so as to write off the cost of the fixed assets, less their residual value, in equal annual instalments over the estimated useful lives of the assets, at the following rates:

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 (continued)

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

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

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

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

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

(i) **Recognition of liabilities**
A liability arises as soon as there is a legal or constructive obligation committing the charity to the expenditure.

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

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

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

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

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

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

The deficit on the scheme, representing the shortfall on the value of the scheme assets below the present value of the scheme liabilities is recognised as a liability on the balance sheet to the extent that the employer charity is able to recover a surplus or has a legal or constructive obligation for the liability. A corresponding pension reserve is included within total unrestricted funds. A proportion of the deficit; that part relating specifically to the former employees of Winchester Area Community Action, is the subject of a guarantee from Winchester City Council. In addition, that part relating specifically to the former employees of Community Action Fareham, is the subject of a guarantee from Fareham Borough Council.

(o) **Going Concern**

The trustees have prepared, reviewed and formally approved detailed trading and cash flow projections covering the period to 31 March 2025. On the basis of these projections they have assessed that CFW has adequate financial resources and the appropriate structures in place to manage its operational risks. In addition, the budgeting and forecasting process has taken account of the current economic and funding climate and its potential impact on our various sources of income and expenditure. Therefore, the Trustees are confident that there is a reasonable expectation that CFW has adequate resources and control mechanisms to continue in operational existence for the foreseeable future and, on this basis the Trustees believe, to the best of their belief and knowledge, that CFW remains a going concern for at least the period to March 2025 and, accordingly these financial statements have been prepared on the going concern basis.

3 NET INCOME/(EXPENDITURE)

Net (expenditure)/ income is stated after charging / (crediting):	2024	2023
	£	£
Donations	(143,950)	(33,384)
Depreciation	51,517	43,093
(Profit)/Loss on sale of assets	(1,152)	-
Unrealised(loss)/ gain on fixed asset investments	13,008	(6,994)
Auditor's remuneration - audit	8,000	8,000

Under the terms of a merger agreement with Wheels For Freedom effective 1 September 2023, the reserves of that organisation were donated to Communities First Wessex and included in donations above - £78,804

4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Transport services	Information & support	Core activity	Total 2024	Total 2023
	£	£	£	£	£
Grants	195,453	1,112,729	365,055	1,673,237	1,505,731
Contracts	1,143,339	-	-	1,143,339	1,158,927
Fare income	204,343	-	-	204,343	161,392
Rental income	19,916	212,227	2,150	234,293	193,508
Other income	51,626	205,795	37,177	294,598	268,771
	1,614,677	1,530,752	404,382	3,549,810	3,288,329

Included in Grants above are the following amounts received from:	2024	2023
	£	£
UK Government grants	1,426,323	1,250,718
Grants- other agencies	246,914	255,013
	1,673,237	1,505,731

UK Government grants includes £263,036 received from the Ministry of Justice (OPCC) for support for victims of Rape and Sexual Abuse (2023 £247,654).Other grants includes £136,056 received from the BIG Lottery (2023 £161,175) .

5 STAFF COSTS

	2024	2023
	£	£
Wages and salaries	1,968,123	1,751,156
Social security costs	141,584	123,175
Pension contributions	70,253	66,165
Redundancy costs	59,784	-
	2,239,745	1,940,496

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 (continued)

One employee received emoluments over £60,000 during the current year (2023: 1)

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

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

	2024	2023
Provision of services	105	101
Management & administration	10	10
	115	111

Key management personnel	2024	2023
	£	£
Remuneration paid to key management personnel during the year (11), 2023(10)	484,295	437,844

6 VOLUNTEERS

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

7 CHARITABLE ACTIVITIES

	Transport services	Information & support	Core activity	Total 2024	Total 2023
	£	£	£	£	£
COSTS DIRECTLY ALLOCATED TO ACTIVITIES					
Staff costs	746,772	864,135	271,393	1,882,300	1,634,249
Volunteer costs	1,949	2,492	19	4,460	2,948
Transport costs	334,874	-	-	334,874	329,489
Administration	23,608	54,764	16,200	94,572	111,712
Depreciation and (profit)/ loss on sale of assets	40,201	1,690	12,454	54,345	43,093
Other direct costs	24,924	519,119	19,917	563,960	388,869
	1,172,328	1,442,200	319,983	2,934,511	2,510,360
SUPPORT COSTS ALLOCATED					
Rent, rates & utilities	83,348	128,917	8,443	220,708	217,528
Staff costs	117,878	62,693	149,264	329,835	316,792
Administration	65,594	43,762	50,468	159,824	111,970
Provision for doubtful debts	-	-	509	509	1,445
Bank charges and interest	6,075	5,714	61	11,850	9,846
Governance Costs	9,642	4,836	3,986	18,464	16,310
Pension fund - current service cost	-	-	-	21,000	58,000
Pension fund - Interest cost	-	-	-	4,000	19,000
	282,537	245,922	212,731	766,190	750,891
	1,454,865	1,688,122	532,714	3,700,701	3,261,251

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 (continued)

8 GOVERNANCE COSTS

	2024	2023
	£	£
Legal and professional fees	3,719	3,642
Audit, accountancy and actuarial fees	9,788	9,620
Cost of AGM and incidental trustee meetings	4,957	3,048
	18,464	16,310

9 TANGIBLE FIXED ASSETS

	Land and Buildings	Plant and machinery including Motor Vehicles	Fixtures fittings and equipment	Total
	£	£	£	£
Cost				
At 1 April 2022	14,696	373,910	143,091	531,697
Additions	30,310	88,010	31,970	150,290
Disposals	(14,696)	(41,760)	-	(56,456)
At 31 March 2023	30,310	420,160	175,061	625,531
Depreciation				
At 1 April 2023	14,696	279,776	106,574	401,046
Charge for the year	541	36,898	14,078	51,517
Eliminated on disposal	(14,696)	(34,735)	-	(49,431)
At 31 March 2024	541	281,939	120,652	403,132
Net book value				
At 31 March 2024	29,769	138,221	54,409	222,399
At 1 April 2023	-	94,134	36,517	130,651

10 INVESTMENTS

	Unlisted investments
	£
Cost or Valuation	
At 1 April 2023	140,338
Additions	-
Revaluation	13,008
At 31 March 2024	153,346

11 STOCKS

	2024	2023
	£	£
Finished goods	3,174	2,154

12 DEBTORS

	2024	2023
	£	£
Trade debtors	138,044	266,836
Other debtors	39,824	34,353
Prepayments & accrued income	133,014	92,274
	310,883	393,464

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 (continued)

13 CREDITORS: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	55,112	46,468
Other taxation and social security	59,302	97,100
Other creditors	47,289	52,248
Accruals & deferred income	261,776	813,077
	423,479	1,008,893

Deferred income

Deferred income is grants received for future accounting periods

	2024	2023
	£	£
Brought forward	704,909	696,089
Amounts released to incoming resources	(558,892)	(550,283)
Amounts deferred in year	73,331	559,103
Amounts carried forward	219,348	704,909

14 RESTRICTED FUNDS

	At 1 April 2023	Incoming resources	Outgoing resources	Transfers between funds	At 31 March 2024
	£	£	£	£	£
Shopmobility Chichester	(22,942)	-	-	22,942	-
DART	4,262	-	-	-4,262	-
Access Group	2,770	-	-	-2,770	-
SBS	(4,127)	-	-	4,127	-
Young Carers	35,090	85,005	(73,018)	-	47,077
Wheels to Work	36,163	86,915	(90,023)	-	33,054
START	211,930	306,253	(355,409)	-	162,774
Positive pathways	-	55,365	(55,365)	-	-
Shopmobility Winchester	110,473	57,455	(49,793)	-	118,135
Shopmobility Winchester - asset fund	24,108	-	(875)	-	23,233
Woolmer Timebanking	-	60,610	(60,610)	-	(0)
Young Volunteering	-	17,332	(17,332)	-	-
LCPS	-	239,855	(241,177)	1,322	(0)
Community Friends	-	4,295	(12,373)	8,078	0
Health and Wellbeing	-	-	-		-
Christmas Lunch Club	1,274	2,521	(2,498)	-	1,297
Wheels For Freedom	-	88,051	(40,510)		47,541
Health and Wellbeing	(185)	117,177	(127,130)	17,612	7,475
ITS your Choice	-	31,328	(14,000)	-	17,328
Total restricted funds	398,817	1,152,161	(1,140,113)	47,049	457,914

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 (continued)

Comparative for funds movement

RESTRICTED FUNDS	At 1 April 2022 £	Incoming resources £	Outgoing resources £	Transfers between funds £	At 31 March 2023 £
Shopmobility Chichester	(17,038)	20,416	(26,320)	-	(22,942)
DART	4,262	-	-	-	4,262
Access Group	2,770	-	-	-	2,770
SBS	(4,127)	-	-	-	(4,127)
Young Carers	26,448	82,171	(73,529)	-	35,090
Wheels to Work	26,979	82,092	(72,908)	-	36,163
START	214,744	334,790	(337,604)	-	211,930
Positive pathways	-	50,958	(50,958)	-	-
Shopmobility Winchester	106,817	56,172	(52,516)	-	110,473
Shopmobility Winchester - asset fund	24,108	-	-	-	24,108
Woolmer Timebanking	-	59,755	(59,755)	-	-
Young Volunteering	-	36,314	(36,314)	-	-
COMF	-	6,011	(6,011)	-	-
Community Friends	-	3,232	(3,232)	-	-
Health and Wellbeing	-	221,213	(221,398)		(186)
Christmas Lunch Club	459	2,980	(2,164)	-	1,275
Social Prescribing Network	-	2,688	(2,688)	-	-
Skills and employment hub	-	21,608	(21,608)	-	-
Total restricted funds	385,422	980,400	(967,005)	-	398,817

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

Wheels to work
Provision of a moped service for young people travelling to work

Christmas Lunch Club
An annual event for those who would otherwise be alone on Christmas Day

START (formerly RASAC)
Counselling and help line services for victims of rape and sexual abuse.

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

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

Young People's volunteering
A project to promote and encourage young people to volunteer

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 (continued)

14 RESTRICTED FUNDS (continued)

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

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

Surgery Signposter Linkworker
To facilitate surgery based signposting

CONTAIN OUTBREAK MANAGEMENT FUND
To support ongoing public health initiatives and proactive containment and intervention measures o reduce the spread of COVID 19

Skills and Employment HUB
A weekly skills and employment hub

DART/Access Group
To provide disability awareness raising training and to provide easy access path trails

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

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

SBS Leader development programme
Mentoring and training for community group leaders

Community Friends
A Befriending scheme based in the New Forest

Health and Wellbeing
A number of connected projects to reduce high intensity user pressure on NHS resources

15 UNRESTRICTED FUNDS

		At 1 April 2023 £	Incoming resources £	Outgoing resources £	Transfers between funds £	At 31 March 2024 £
Designated funds						
Transport services Havant - asset fund		9,262	-	(2,313)	-	6,949
Transport Winchester - asset fund		5,156	-	(1,289)	-	3,867
Transport services East Hampshire - asset fund		22,889	-	(2,732)	-	20,157
Transport services New Forest - asset fund		2,268	-	(1,383)	-	885
		39,575	-	-	-	31,858
Required reserves policy		350,000	-	-	150,000	500,000
Community First Investment Fund		810,134	2,581,103	(2,552,871)	(197,049)	641,318
General funds excluding exceptional item		810,134	2,581,103	(2,560,588)	-	641,318
Obligation to fund WACA, CAF and CFNF pension liability	15	(49,000)	-	-	-	(49,000)
		761,134	-	-	-	592,318
Pension reserve (Deferred pension liability £100,000 less obligation of £49000, and net movement of £176,000)	15	133,000	-	1,000	-	134,000
Total unrestricted funds		1,283,709	2,581,103	(2,559,588)	(47,049)	1,258,176

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 (continued)

15 **Comparative for funds movement**

UNRESTRICTED FUNDS	At 1 April 2022 £	Incoming resources £	Outgoing resources £	Transfers between funds £	At 31 March 2023 £
Designated funds					
Transport services Havant - asset fund	12,436	-	(3,174)	-	9,262
Transport Winchester - asset fund	6,875	-	(1,719)	-	5,156
Transport services East Hampshire - asset fund	24,685	-	(1,796)	-	22,889
Transport services New Forest - asset fund	4,112	-	(1,844)	-	2,268
	48,108	-	(8,533)	-	39,575
Other					
Required reserves policy	350,000	-	-	-	350,000
	350,000	-	-	-	350,000
Community First Investment Fund	736,716	2,366,125	(2,292,707)	-	810,134
General funds excluding exceptional item	736,716	2,366,125	(2,292,707)	-	810,134
Obligation to fund Winchester Area Community Action					
Community action Fareham pension liability	(869,000)	-	-	820,000	(49,000)
	(132,284)	2,366,125	(2,292,706)	820,000	761,134
Pension reserve (Deferred pension liability £1071,000 less WACA reserve £458,000, CAF reserve of £166,000 and CFNF reserve of £245,000 and costs of £130,000 included within support costs)	324,000	629,000	-	(820,000)	133,000
Total unrestricted funds	589,824	2,995,125	(2,301,240)	-	1,283,709

Community First Investment Fund
To support new initiatives and projects

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	TOTAL 2024 £	TOTAL 2023 £
Fixed assets	329,968	45,777	375,745	270,989
Current assets	1,134,996	628,829	1,763,825	2,512,430
Liabilities	(206,787)	(216,692)	(423,479)	(1,100,893)
	1,258,176	457,914	1,716,090	1,682,526

17 DEFINED CONTRIBUTION PENSION SCHEME

The company operates a defined contribution pension scheme . The assets of the scheme are held separately from those of the company in an independently administered fund. The pension commitment under this scheme for 2024 was £43,119 (2023: £32,879). There were 60 members in the scheme at the year end (2023: 69).

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 (continued)

18 DEFINED BENEFIT PENSION SCHEME

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

The deferred pension liability of £100,000 included in the Balance Sheet at 31 March 2024 is derived from the pension scheme's actuarial report for that year.

Winchester City Council has guaranteed to underwrite any deficit arising from the pension fund valuation in respect of those members of the scheme previously employed by WACA. At 31 March 2024, this amounted to approximately £39,852 (at 31 March 2023 £36,600). Fareham Borough Council has guaranteed to underwrite any deficit arising from the pension fund valuation in respect of those members of the scheme previously employed by CAF. At 31 March 2024, this amounted to approximately £13,481, (at 31 March 2023 £12,403).

The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent full valuation was at 31 March 2022, which has been updated to reflect conditions at the balance sheet date. The assumptions that have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rate of increase in salaries and pensions. It was assumed by the actuaries that salary increases would average 3.8% per year and that the present and future pensions would increase at the rate of 2.8% per year.

The HCC Pension liability shown in the Accounts is based on the last HCC Pension Fund (the scheme) valuation dated 31st March 2022 and would have been the sum payable to the scheme had Community First exited the scheme at that date.

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

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

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

Consequently, HCC has changed the basis on which investments are made using these organisations' funds, in future managing their investments in the same way as funds are managed for HCC and other large organisations in the scheme. The impact of this change, based on an exit as at 31 March 2022, would be to reduce the total notional exit liability of Community First from £675,000 to £100,000, which becomes the material liability of the organisation.

The pension charge for the year was £27,282 (2023 £33,432),

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

	2024		2023	
Value of scheme assets and liabilities		£		£
Fair value of assets		3,781,000		3,516,000
Present value of fund liabilities		(3,881,000)		(3,608,000)
Pension scheme deficit		(100,000)		(92,000)
Movements in year				
Service cost	(21,000)		(58,000)	
Interest cost	(4,000)		(19,000)	
		(25,000)		(77,000)
Contributions		16,000		31,000
Actuarial (losses)/gains on assets and liabilities		1,000		629,000
Movements in the year		(8,000)		583,000
Pension scheme deficit at 1 April				
- WACA	(36,664)		(269,000)	
- CAF	(12,403)		(91,000)	
- CFNF	(18,945)		(139,000)	
- CFHEH	(23,988)		(176,000)	
		(92,000)		(675,000)
Pension scheme deficit at 31 March		(100,000)		(92,000)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024 (continued)

19 RELATED PARTIES

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

20 CONTROLLING PARTY

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

21 OPERATING LEASE COMMITMENTS

As at 31 March 2024 the charity had future minimum lease payments under non-cancellable operating leases as follows;

Operating leases which expire:

	Land and buildings		Other	
	2024	2023	2024	2023
Within 1 year	34,548	33,981	35,988	19,800
Between 2 to 5 years	66,884	89,178	65,772	16,500
	101,432	123,159	101,760	36,300

Within the Statement of Financial Activities are expenses totalling £128,673 relating to operating leases (2023 £108,295)

22 CAPITAL COMMITMENTS

As at 31 March 2024 the company did not have any capital commitments (2023 £24,577)

23 POST BALANCE SHEET EVENT

On 1st September 2024 the Company signed an agreement to merge with Gosport Voluntary Action, a non incorporated charity based in Gosport,Hampshire effective 1st October 2024.

24 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2024	2023
	£	£
Net movement in funds	33,564	707,280
Add back depreciation charge	51,517	43,093
Add profit on disposal of fixed assets	(1,152)	-
(Gain)/ loss) on investments	(13,008)	6,994
Deduct interest income shown in investing activities	(10,052)	(2,402)
Increase in stock	(1,020)	(2,154)
Decrease /(Increase) in debtors	82,583	208,385
Increase/(decrease) in creditors	(585,414)	29,547
Movement in pension fund	8,000	(583,000)
Net cash used in operating activities	(434,981)	409,314

25 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023
(Including Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
INCOME					
Donations and legacies	3	18,072	15,312	33,384	118,547
Investment Income		2,350	52	2,402	95
Trading Income					
Miscellaneous income		22,410	-	22,410	19,815
Charitable activities					
Grants & contracts	4	1,731,030	933,628	2,664,658	2,610,227
Fare revenue	4	161,392	-	161,392	130,306
Rental income	4	174,504	19,003	193,507	171,119
Other income	4	256,367	12,404	268,771	274,529
			-	-	-
TOTAL INCOME		2,366,125	980,400	3,346,525	3,324,637
EXPENDITURE					
Fundraising		-	-	-	-
Charitable activities	7	2,294,246	967,005	3,261,251	3,112,921
Exceptional item:					
Obligation to fund Community First New Forest pension liability expensed	18	-	-	-	-
TOTAL EXPENDITURE		2,294,246	967,005	3,261,251	3,112,921
Net (losses)/gains on investments	3	(6,994)	-	(6,994)	6,047
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		64,885	13,395	78,280	217,763
TRANSFERS BETWEEN FUNDS	14,15	-	-	-	-
Actuarial(losses)/gains on defined benefit pension funds	18	629,000	-	629,000	457,000
NET INCOME/(EXPENDITURE) FOR THE YEAR		693,885	13,395	707,280	674,764
FUND BALANCES BROUGHT FORWARD		589,824	385,422	975,246	300,483
FUND BALANCES CARRIED FORWARD		1,283,709	398,817	1,682,526	975,246

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

COMMUNITIES FIRST WESSEX

England & Wales - Charity number 1147527

Accounts

COMMUNITIES FIRST WESSEX

Company number: 08071971

REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2023

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

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2023

Charity registration number: 1147527

Company registration number: 8071971

Registered office address
Leigh Park Community Centre
Dunsbury Way
Havant
Hampshire
PO9 5BG

Auditors
Morris Crocker
Station House
North St
Havant
PO9 1QU

Bankers
Lloyds Bank PLC
4 West Street
Havant
PO9 1PE

Directors / Trustees serving during the year

Beverley Jones	Chairman
Trevor Lewis	Vice Chairman Resigned 31 March 2023
Jennifer Owens	
Dr John Evans	
Denis Gibson	
Clive Graham	
David Eley	
Paul Kirkland	
Janet Lefley MBE	

Chief Executive Officer
Tim Houghton

Chairman's Foreword

Welcome to this Annual Report of the Trustees and Directors of Communities First Wessex (CFW) for the year ending March 2023

CFW continues to play a key role in developing a thriving voluntary sector across Hampshire, empowering communities, mobilising our members and delivering critical community services to make life better for everyone.

CFW has had another solid year, further strengthening our foundations by securing new income and delivering high-quality services. We have continued to support individuals, communities and organisations in their continued recovery from the pandemic and in tackling the impact of the cost-of-living crisis. We have also supported partners and organisations providing refuge for those fleeing the war in Ukraine. Our success has resulted in a strong balance sheet, an increase in unrestricted reserves and demonstrable social impact.

In the latter part of the year, we reviewed and refreshed our strategy setting out our plans over the next 3 years from 2023 – 2026 to be a modern and dynamic organisation, providing effective infrastructure support, mobilising volunteers and delivering services to promote wellbeing. It was a period of consolidation ensuring our business plan for the year and long-term strategy is strong enough to ensure a sustainable future.

We invested more in supporting our members by strengthening our community development and support team. We began to offer limited support to requests from organisations outside our existing areas. The maintenance of geographical boundaries seems less relevant as more individuals and groups make greater use of online and digital support. As part of our consolidation thinking, we have not sought any further growth through mergers. CFW has discussed this option with several organisations but choose not to proceed.

A great deal of time has been spent on thinking about the future, working with our strategy and strengthening the workforce. We realised that the board itself would soon need new members. The board has done a tremendous job over the last five years. As Chair, I thank them all for the time and effort they have dedicated to CFW. As with any company, we need those individuals who understand our business and have the skills and background knowledge to steer a medium-sized business forward. We will begin the search for new directors next year.

The board thank Tim Houghton and his staff for all the hard work they have given to CFW. Over the year Tim has strengthened and supported his senior leadership and management teams, so there is now in place a group of key staff, all with delegated authority to manage sections of our business. As an organisation we needed to have a plan in place to maximise opportunities to promote from within the existing workforce so that when gaps appeared in our structure, we could more readily fill them. Naturally, that does not stop external recruitment, as it is also good to embrace new staff with ideas and knowledge from other business sectors and public services. Discussion led to action and an internal leadership and management development programme will be launched in 2023 for staff, to acquire the skills needed for future management positions. As an organisation, we have also strengthened the performance management of staff. It is thought that we need to be more robust in this area.

As an organisation, we still act as the single contracting organisation for Hampshire County Council in 2023/24. This means we receive the County Council grant and distribute it to the remaining seven infrastructure support organisations in the county.

As a board we do have concerns for the future. Our organisation is still too dependent on local authority support and we, as do many voluntary and community organisations, see the public purse strings being pulled tighter each year. The daily news at either national, county or district/borough level, paints a picture of an unsettled and rather bleak financial climate. This is one of the reasons for consolidation. A time to ensure that all our activities are financially viable, break-even, meaning they are not supported by grants or our own reserves, in case the financial climate gets worse in future years. As an organisation, we need to follow that well known Scouting and Guiding moto and .... 'Be Prepared'.

Activity-wise and financially it has been a good year for CFW. We feel confident about the future, as a board we are so pleased we have developed and strengthened our support to members and developed what is now a wide range of financially viable services and activities. We still want to work with other similar organisations across Hampshire and beyond. CFW thanks Hampshire County Council for its support to us and to others. We also thank our Boroughs and Districts for their approach to partnership working and funding including Basingstoke and Deane Borough Council, East Hampshire District Council, Fareham Borough Council, Havant Borough Council, New Forest District Council and Winchester City Council and to the many parish and town councils for their local insight and support.

Thank you also to our significant funders including NHS via the newly created Hampshire & IOW Integrated Care Board, Office of Police & Crime Commissioner and Ministry of Justice, and to the National Lottery Community Fund, BBC Children in Need and Hampshire & IOW Community Foundation and to the many offers of in-kind support from local businesses.

We also thank and value our members for their continuing support. CFW looks forward to the future with confidence; still happy to merge in other similar organisations, so we share our work and are stronger and more resilient as a combined entity; preparing to change if the financial climate gets tougher still; determined to continue our support of members by using funds generated from our services and the development of new revenue-generating projects and services. Our new strategy will help us to steer a way forward to

- improve the wellbeing and health of communities in which we operate
- be a credible and preferred partner for funders, members and customers
- generate income and surplus from our services to re-invest in developing our capacity, resilience and self-sufficiency, alongside that of the wider voluntary sector.
- continue to grow through mergers and partnerships.

Together we have built a reputation as the 'go to' voluntary organisation in Hampshire, with the ability to deliver rapid response and the capacity and capability to mobilise others. Our financial success and the positive impact we have on our beneficiaries is testimony to that.

Beverley Jones
Chairman

Management and Governance

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

CFW has been created following the merger of 5 district CVSs operating at scale with central management and governance, whilst retaining local teams and services embedded in and reflecting the needs of the communities we serve.

Board of Directors and Senior Management

The Trustees of the Charity are Directors of the Company. They are responsible for setting the strategy of CFW, which was reviewed and refreshed in February 2023, ensuring effective financial stewardship and governance. An Executive Committee meets monthly to support the main board, ensuring we have the resources, staff and capacity, to deliver the strategy and meet our financial targets. Task-specific groups are created when required.

The Senior Leadership Team comprising the Chief Executive, Chief Operating Officer, Finance Director and Community Director, is responsible for the day-to-day management of the organisation, partnership and programme development and service delivery.

Recruiting and Supporting Directors

- We draw on the skills and experience of existing Directors matching these to the needs and activities of the business set out in our strategy
- Skill gaps are identified by the Executive Committee and actions to address these are agreed by the board. Nominations are invited throughout the year through contact with members, partners and individuals with the requisite skills and experience and we advertise through local networks, contacts and companies.
- We are mindful of the need to ensure a diverse board reflecting the communities with which we work and the groups we support.
- Directors are provided with background information about the organisation, our work and values and the wider role of serving as a charity Trustee using the Charity Commission's recommended guidance.
- Directors are offered training and encouraged to attend events and meet staff and volunteers to gain a good understanding of some of the challenges and opportunities we face
- We will recruit new Directors during 2023/24

Aims, Objectives, Activities and Achievements

The Charity's objects are:

a) to promote any charitable purposes for the benefit of the public in Hampshire and surrounding areas, including the advancement of education, the protection of health and the relief of poverty, distress and sickness, and to provide people with the necessary support, information and services to enable them to pursue or contribute to charitable purposes.

b) to promote, organise and facilitate co-operation and partnership working between third sector, statutory and other relevant bodies in Hampshire and its environs.

Delivering public benefit
Communities First Wessex (CFW) supports a thriving, active and influential voluntary sector across Hampshire and surrounding areas, through our leadership of the Hampshire CVS network and direct delivery in East Hampshire, Havant, Winchester, Fareham and the New Forest. We also deliver transport services in Basingstoke & Deane and Gosport and trauma-informed and sexual abuse counselling throughout north and mid Hampshire. Our Health and well-being and Social Prescribing networks also provide countywide support to all organisations supporting people in need.

As a membership organisation we believe that we are stronger by working together. We've grown our membership, holding successful network events throughout the year and providing effective digital self-serve toolkits and resources enabling us to offer more and better support to local VCSE organisations.

Our performance and achievements in 2022/23

- Directly supported and engaged 620 VCSE organisations
- Recruited and mobilised an additional 566 volunteers and 135 young volunteers, 320 clients on our Positive Pathways supported volunteering programme. We also delivered more than 1470 hours of volunteer time on our Timebank initiative.
- Secured £434,000 of additional investment in VCSE organisations.
- Trained 1,333 learners.
- Carried more than 50,400 passengers on 33,400 journeys on our community transport, over 900 customers used our mobility scooter hire and 36 hirers benefitted from our Wheels to Work moped hires.
- Had 67,000 visits to our Community Hubs in Clanfield and Leigh Park
- Supported 258 young carers in the New Forest
- Helped 467 victims of sexual trauma and abuse through our START counselling service.
- Provided a lifeline to 281 clients of our Home Help service and helped 213 with gardening.
- Supported 40 High Intensity Users through our community support service and delivered nearly 340 healthy walks helping people to be active, stay well and connect.

Financial Review.

Revenues continued to grow, and overall financial performance remained strong. We had a total income of £3.346m in 2022/23, compared to £3.324m in 21/22 reflecting continued return to and start-up of new services post pandemic.

The Charity has a defined salary pension scheme with Hampshire County Council. The adjustment in the actuarial valuation on our defined salary pension scheme resulted in a gain (before administration costs) of £629k. HCC now manages our investments in the same way as funds are managed for HCC and other large organisations in the scheme. This significantly

reduces the total notional exit liability of Community First from £675k to £92k. Winchester City Council and Fareham Borough Council guarantee to underwrite any deficit arising from the pension fund valuation in respect of those members of the scheme previously employed by organisations operating in their respective areas. At 31 March 2023, this amounted to approximately £36.6k for Winchester and £14.8k for Fareham. A full analysis of the pension liability including deferred liability, guaranteed underwriting, top up payments and charges and residual material liability is set out in note 18 to the accounts.

The charity continues to take appropriate steps to diversify its funding base, securing further grants and commissions, managing costs and identifying new sources of income to build on its strengths and track record in public service delivery and to support the voluntary and community sector. We have retained our overall staff team of @ 120 delivering hybrid and flexible working to balance capacity with opportunity.

Income sources

Principal sources of funding include;

- Infrastructure grant from Hampshire County Council with CFW reappointed as single contracted organisation to deliver infrastructure support for VCSE and encourage volunteering and grants from Havant Borough Council, East Hampshire District Council and New Forest District Council.
- Grant funding from Hampshire and IOW Integrated Care Board to support health & wellbeing forums and the Social Prescribing Network and deliver wellbeing programmes tackling health inequalities and those in need of additional support.
- Hampshire County Council contracts supported by the Boroughs and Districts, for Community Transport, Dial-A-Ride, Call and Go and SEN school transport contracts. Further income was generated from fares.
- Ministry of Justice grant (administered by the Office of Police & Crime Commissioner), HCC and NHS grant for START counselling and Lotus residential service.
- Hampshire Learns funding (via HCC) for training with an increase in value and number of Lots delivered.
- Grants from Winchester City Council, Fareham Borough Council & Chichester District Council and hire income from customers and events for Shopmobility.
- The National Community Lottery Fund for Positive Pathways in Havant and to support Time Banking in Woolmer Forest and to deliver the second year of our Youth Volunteering Programme.
- BBC Children in Need for Young Carers

Reserves

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

- Unrestricted reserves equivalent to up to 6 months of planned running costs in line with Charity Commission guidelines and Company Law.
- A designated reserve has been created to cover any unforeseen events, as well as the possibility that funding might not always be obtained. The calculation of this reserve takes into account
    - Six months support services' running costs
    - Outstanding rent commitments (up to break clause dates)
    - Outstanding lease and hire commitments to end of contract
    - Provision for legal costs
    - Provision for property dilapidations

- The Purpose of designating reserves is to
    - cover any loss on realisation of any fixed assets and any additional contractual liabilities
    - accumulate funds for specific purposes as determined by the Board of Trustees from time to time.
    - invest in innovative services which can be piloted and tested to better meet the needs of our beneficiaries including vulnerable people by the creation of the Community First Investment Fund. The aim of such enterprises and innovative services is to reduce the charity's dependence on public sector funding by finding more reliable sources of funding for its services.
- Restricted reserves are held to cover the extent that funds for restricted purposes have not been fully expended. No additional reserves will be established for restricted projects. This policy enables CFW to continue operations whilst awaiting receipt of Grants many of which are paid in arrears, to pay contractual liabilities in the event that grants are discontinued or significantly reduced whilst services are realigned and to recover the potential loss on fixed asset investments in the event that funding is withdrawn, or contracts ended prematurely.
- A provision will be maintained against general reserves to offset the Charity's obligation to fund any deficit on the Hampshire County Council pension fund scheme. This provision will be reviewed and if necessary revised annually in line with the Actuarial valuation.

At 31 March 2023 we have £1,283,709 in unrestricted reserves. £39,575 of this is designated to support the development of on-going activities (see note 15). A reserve of £350,000 has been created to cover any unforeseen events as well as the possibility that funding might not always be obtained and ensure continuity of our core function and services for at least 3 months. The Community First Investment Fund has £810,134 to help us to access new funding and income streams and pump prime innovative ideas for new services for our beneficiaries.

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

Managing Risk

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

Our significant risks

We face on-going risk to our revenues which are predominantly from public sector contracts and grants, principally HCC, which are subject to future public sector spending cuts and threats to the overall public finance position as costs of delivering statutory social care and children's services increase and global economic uncertainty prevails. Expenditure remains under close scrutiny as local authority grants and commissioned services are subject to further cuts in 2024 and again in 2025 resulting in less money at a time when demand for our services and requests for support from our members is increasing. We are reducing our reliance on core grants and diversifying our activities to attract new sources of income. We continue to explore opportunities to further increase scale, impact and generate revenues, through partnership working, collaboration and possible mergers. We are also exploring new opportunities for generating sales and raising revenue by expanding our transport, diversifying

our training and growing wellbeing services which are in high demand. As public sector funding continues to diminish more customer/beneficiaries may be asked to pay towards services, but we are also seeking opportunities to maximise our assets and expertise to generate income which can be reinvested in essential community support and services.

We maintain strict internal controls and procedures for authorising transactions and payments which reduce financial risks and minimise risk of fraud. Only authorised signatories can sign or commit the organisation to enter into grant agreements, make payments and contractual or other liabilities. We review our financial procedures annually to ensure that authorisation levels remain appropriate and robust and work closely with our bank to minimise risk of fraud

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

Our high risk services include;

- Transport: risk of road traffic collisions and in assisting frail and disabled passengers on and off vehicles and in hiring Mopeds (Wheels to Work) and mobility scooters
- Supported Volunteering and HIU (High Intensity User) providing social connections, volunteering, work experience and support for people with mental illness and other health conditions, including those with a history of substance misuse and ex-offenders, helping them rebuild their confidence and contribute to society.
- START providing specialist support for survivors of childhood sexual abuse or recent sexual violence and trauma
- Young Carers; providing support for young people in looking after family members with long-term conditions
- Home Helps; helping older and disabled people to stay safe and well in their own homes
- Clanfield Sports Centre; helping people participate in sporting and leisure activities

We invest in and provide wellbeing support to staff, offer family-friendly employment contracts and policies and have embedded hybrid working which has flexibility to balance staff and organisational priorities. Since January 2023 we have encouraged and seen a significant return to office-based working. We continue to invest in staff training, ensuring compliance with health and safety and safe operating procedures. Procedures are in place and are reviewed regularly to protect our staff, volunteers and service users. Lessons learnt are shared with commissioners and partners and are used to amend procedures to provide a safe and enjoyable experience for service users, staff and volunteers.

Directors' responsibilities

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

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

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

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2023

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

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

Approved by the Board and signed on its behalf by:

.....
Beverley Jones
Chairman of Board of Directors

Date: 20 November 2023

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITIES FIRST WESSEX FOR THE YEAR ENDED 31 MARCH 2023

Opinion

We have audited the financial statements of Communities First Wessex for the year ended 31 March 2023 which comprise the Statement of Financial Activities, Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Policies) including FRS102,' The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard

Opinion on Other Matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITIES FIRST WESSEX FOR THE YEAR ENDED 31 MARCH 2023

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

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

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

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.
Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

The audit considers the organisation is not exposed to material risk of error as a result of assessing laws and regulations that are appropriate to the organisation.
Management assessed there is no going concern risk. The audit undertook a review of budgets, management accounts and the review of board minutes and came to the same conclusion as management.

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITIES FIRST WESSEX FOR THE YEAR ENDED 31 MARCH 2023

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



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

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

Date: 22 November 2023

COMMUNITIES FIRST WESSEX

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

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2023

(Including Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
INCOME					
Donations and legacies	3	18,072	15,312	33,384	118,547
Investment Income		2,350	52	2,402	95
Trading Income					
Miscellaneous income		22,410	-	22,410	19,815
Charitable activities					
Grants & contracts	4	1,731,030	933,628	2,664,658	2,610,227
Fare revenue	4	161,392	-	161,392	130,306
Rental income	4	174,504	19,003	193,507	171,119
Other income	4	256,367	12,404	268,771	274,528
			-	-	-
TOTAL INCOME		2,366,125	980,400	3,346,525	3,324,637
EXPENDITURE					
Fundraising		-	-	-	-
Charitable activities	7	2,294,246	967,005	3,261,251	3,112,921
TOTAL EXPENDITURE		2,294,246	967,005	3,261,251	3,112,921
Net (losses)/gains on investments	3	(6,994)	-	(6,994)	6,047
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		64,885	13,395	78,280	217,763
TRANSFERS BETWEEN FUNDS	14,15	-	-	-	-
Actuarial(losses)/gains on defined benefit pension funds	18	629,000	-	629,000	457,000
NET INCOME/(EXPENDITURE) FOR THE YEAR		693,885	13,395	707,280	674,763
FUND BALANCES BROUGHT FORWARD		589,824	385,422	975,246	300,483
FUND BALANCES CARRIED FORWARD		1,283,709	398,817	1,682,526	975,246

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

COMMUNITIES FIRST WESSEX **Company number: 8071971**
(Company limited by guarantee and not having a share capital)

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2023

	Note	£	2023 £	£	2022 £
FIXED ASSETS					
Tangible assets	9		130,651		154,673
Investments	10		140,338		147,332
			270,989		302,005
CURRENT ASSETS					
Stocks	11	2,154		-	
Debtors	12	393,464		601,847	
Cash at bank and in hand		2,116,812		1,724,167	
		2,512,430		2,326,014	
CREDITORS: amounts falling due within one year:	13	(1,008,893)		(977,773)	
NET CURRENT ASSETS			1,503,537		1,348,241
NET ASSETS EXCLUDING PENSION LIABILITY			1,774,526		1,650,246
Defined pension scheme liability	18		(92,000)		(675,000)
NET ASSETS INCLUDING PENSION LIABILITY			1,682,526		975,246
FUNDS					
UNRESTRICTED FUNDS					
Designated funds	15		389,575		398,108
General funds	15		761,134		(132,284)
Unrestricted funds excluding pension liability			1,150,709		265,824
Pension reserve	15		133,000		324,000
Total unrestricted funds			1,283,709		589,824
RESTRICTED FUNDS	14		398,817		385,422
TOTAL FUNDS			1,682,526		975,246

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

Approved by the trustees on 20 November 2023
and signed on their behalf by:

Beverley Jones
Chairperson

Jan Lefley
Deputy Chairperson

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

Company number: 8071971

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023	2022
		£	£
Cash (used in)/ provided by operating activities	24	409,314	55,459
Cash flows from investing activities			
Interest income		2,402	95
Purchase of tangible fixed assets		(19,071)	(13,473)
Sale of tangible fixed assets		0	11,729
Cash provided by/(used in) investing activities		(16,669)	(1,649)
(Decrease)/increase in cash and cash equivalents in the year		392,645	53,810
Cash and cash equivalents at the beginning of the year		1,724,167	1,670,357
Cash and cash equivalents at the end of the year		2,116,812	1,724,167

COMMUNITIES FIRST WESSEX

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023

1 STATEMENT OF COMPLIANCE

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

2 ACCOUNTING POLICIES

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

(a) **Basis of accounting**

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

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

(b) **Income**

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

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

c) **Expenditure**

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

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

(d) **Tangible Fixed assets**

Fixed assets are stated in the balance sheet at cost less depreciation. Fixed assets are capitalised for ongoing use within the company, where the individual cost of the asset exceeds £2,000.

Depreciation is provided so as to write off the cost of the fixed assets, less their residual value, in equal annual instalments over the estimated useful lives of the assets, at the following rates:

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

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

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

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

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

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

(i) **Recognition of liabilities**
A liability arises as soon as there is a legal or constructive obligation committing the charity to the expenditure.

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

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

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

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

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

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

The deficit on the scheme, representing the shortfall on the value of the scheme assets below the present value of the scheme liabilities is recognised as a liability on the balance sheet to the extent that the employer charity is able to recover a surplus or has a legal or constructive obligation for the liability. A corresponding pension reserve is included within total unrestricted funds. A proportion of the deficit; that part relating specifically to the former employees of Winchester Area Community Action, is the subject of a guarantee from Winchester City Council. In addition, that part relating specifically to the former employees of Community Action Fareham, is the subject of a guarantee from Fareham Borough Council.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

(o) **Going Concern**

The trustees have prepared, reviewed and formally approved detailed trading and cash flow projections covering the period to 31 March 2024. On the basis of these projections they have assessed that CFW has adequate financial resources and the appropriate structures in place to manage its operational risks. In addition, the budgeting and forecasting process has taken account of the current economic and funding climate and its potential impact on our various sources of income and expenditure. Therefore, the Trustees are confident that there is a reasonable expectation that CFW has adequate resources and control mechanisms to continue in operational existence for the foreseeable future and, on this basis the Trustees believe, to the best of their belief and knowledge, that CFW remains a going concern for at least the period to March 2025 and, accordingly these financial statements have been prepared on the going concern basis.

3 NET INCOME/(EXPENDITURE)

Net (expenditure)/ income is stated after charging / (crediting):	2023	2022
	£	£
Donations	(33,384)	(118,547)
Depreciation	43,093	53,974
(Profit)/Loss on sale of assets	-	(3,780)
Unrealised(loss)/ gain on fixed asset investments	(6,994)	6,047
Auditor's remuneration - audit	8,000	8,000

Under the terms of a merger agreement with BRASACC effective 1 April 2021, the reserves of that organisation were donated to Communities First Wessex and included in donations above in 2021/22 (£98,814).

4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Transport services	Information & support	Core activity	Total 2023	Total 2022
	£	£	£	£	£
Grants	91,240	1,058,212	356,279	1,505,731	1,465,595
Contracts	1,154,827	-	4,100	1,158,927	1,144,632
Fare income	161,392	-	-	161,392	130,306
Rental income	18,203	175,072	233	193,508	171,119
Other income	33,169	218,076	442,208	268,771	274,529
	1,458,831	1,451,360	802,820	3,288,329	3,186,180

Included in Grants above are the following amounts received from:	2023	2022
	£	£
UK Government grants	1,250,718	1,252,109
Grants- other agencies	255,013	213,486
	1,505,731	1,465,595

UK Government grants includes £247,654 received from the Ministry of Justice (OPCC) for support for victims of Rape and Sexual Abuse (2022 £213,204).Other grants includes £161,175 received from the BIG Lottery (2022 £226,613) .

5 STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,751,156	1,708,980
Social security costs	123,175	116,144
Pension contributions	66,165	74,003
Redundancy costs	-	-
	1,940,496	1,899,127

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

One employee received emoluments over £60,000 during the current year (2022: 0)

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

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

	2023	2022
Provision of services	101	97
Management & administration	10	11
	111	108

Key management personnel	2023	2022
	£	£
Remuneration paid to key management personnel during the year (10), 2022(9)	437,844	398,837

6 VOLUNTEERS

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

7 CHARITABLE ACTIVITIES

	Transport services	Information & support	Core activity	Total 2023	Total 2022
	£	£	£	£	£
COSTS DIRECTLY ALLOCATED TO ACTIVITIES					
Staff costs	671,798	727,392	235,059	1,634,249	1,568,908
Volunteer costs	2,502	397	49	2,948	14,910
Transport costs	329,489	-	-	329,489	311,547
Administration	22,515	78,529	10,668	111,712	105,844
Depreciation and (profit)/ loss on sale of assets	38,572	3,304	1,217	43,093	50,193
Other direct costs	11,238	358,040	19,591	388,869	371,973
	1,076,114	1,167,662	266,584	2,510,360	2,423,375
SUPPORT COSTS ALLOCATED					
Rent, rates & utilities	73,680	128,047	15,801	217,528	176,574
Staff costs	137,561	81,477	97,754	316,792	287,219
Administration	57,599	32,327	22,044	111,970	86,229
Provision for doubtful debts	-	-	1,445	1,445	13,475
Bank charges and interest	4,576	5,219	51	9,846	6,249
Governance Costs	7,685	5,717	2,908	16,310	15,800
Pension fund - current service cost	-	-	58,000	58,000	82,000
Pension fund - Interest cost	-	-	19,000	19,000	22,000
	281,101	252,787	217,003	750,891	689,546
	1,357,215	1,420,449	483,587	3,261,251	3,112,921

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

8 GOVERNANCE COSTS

	2023	2022
	£	£
Legal and professional fees	3,642	5,885
Audit, accountancy and actuarial fees	9,620	9,915
Cost of AGM and incidental trustee meetings	3,048	-
	16,310	15,800

9 TANGIBLE FIXED ASSETS

	Land and Buildings	Plant and machinery including Motor Vehicles	Fixtures fittings and equipment	Total
	£	£	£	£
Cost				
At 1 April 2022	15,776	373,910	124,020	513,706
Additions	-	-	19,071	19,071
Disposals	(1,080)	-	-	(1,080)
At 31 March 2023	14,696	373,910	143,091	531,697
Depreciation				
At 1 April 2022	14,300	248,416	96,317	359,033
Charge for the year	1,476	31,360	10,257	43,093
Eliminated on disposal	(1,080)	-	-	(1,080)
At 31 March 2023	14,696	279,776	106,574	401,046
Net book value				
At 31 March 2023	-	94,134	36,517	130,651
At 1 April 2022	1,476	125,494	27,703	154,673

10 INVESTMENTS

	Unlisted investments
	£
Cost or Valuation	
At 1 April 2022	147,332
Additions	-
Revaluation	(6,994)
At 31 March 2023	140,338

11 STOCKS

	2023	2022
	£	£
Finished goods	2,154	-

12 DEBTORS

	2023	2022
	£	£
Trade debtors	266,836	489,918
Other debtors	34,353	38,033
Prepayments & accrued income	92,274	73,896
	393,464	601,847

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

13 CREDITORS: amounts falling due within one year

	2023	2022
	£	£
Trade creditors	46,468	51,162
Other taxation and social security	97,100	88,725
Other creditors	52,248	41,668
Accruals & deferred income	813,077	796,218
	1,008,893	977,773

Deferred income

Deferred income is grants received for future accounting periods

	2023	2022
	£	£
Brought forward	696,089	650,465
Amounts released to incoming resources	(550,283)	(399,697)
Amounts deferred in year	559,103	445,321
Amounts carried forward	704,909	696,089

14 RESTRICTED FUNDS

	At 1 April 2022	Incoming resources	Outgoing resources	Transfers between funds	At 31 March 2023
	£	£	£	£	£
Shopmobility Chichester	(17,038)	20,416	(26,320)	-	(22,942)
DART	4,262	-	-	-	4,262
Access Group	2,770	-	-	-	2,770
SBS	(4,127)	-	-	-	(4,127)
Young Carers	26,448	82,171	(73,529)	-	35,090
Wheels to Work	26,979	82,092	(72,908)	-	36,163
START	214,744	334,790	(337,604)	-	211,930
Positive pathways	-	50,958	(50,958)	-	-
Shopmobility Winchester	106,817	56,172	(52,516)	-	110,473
Shopmobility Winchester - asset fund	24,108	-	-	-	24,108
Woolmer Timebanking	-	59,755	(59,755)	-	-
Young Volunteering	-	36,314	(36,314)	-	-
COMF	-	6,011	(6,011)	-	-
Community Friends	-	3,232	(3,232)	-	-
Health and Wellbeing	-	221,213	(221,398)		(186)
Christmas Lunch Club	459	2,980	(2,164)	-	1,275
Social Prescribing Network	-	2,688	(2,688)	-	-
Skills and employment hub	-	21,608	(21,608)	-	-
Total restricted funds	385,422	980,400	(967,005)	-	398,817

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

Comparative for funds movement

RESTRICTED FUNDS	At 1 April 2021 £	Incoming resources £	Outgoing resources £	Transfers between funds £	At 31 March 2022 £
Shopmobility Chichester	(20,060)	36,704	(33,682)	-	(17,038)
DART	4,262	-	-	-	4,262
Access Group	2,770	-	-	-	2,770
Youth work	4,726	-		(4,726)	-
Community First Delivers	-	4,000	(3,801)	(199)	-
SBS	(6,437)	5,000	(2,691)	1	(4,127)
Young Carers	26,448	71,332	(71,332)	-	26,448
Social Prescribing Network	(1,531)	8,672	(8,672)	1,531	-
Wheels to Work	24,047	80,287	(77,355)		26,979
START	46,705	519,410	(351,371)	-	214,744
Positive pathways	-	57,357	(57,357)	-	-
Shopmobility Winchester	101,591	56,129	(50,903)	-	106,817
Shopmobility Winchester - asset fund	24,108	-	-	-	24,108
Woolmer Timebanking	-	55,859	(55,859)	-	-
Park Play	(170)	0	-	170	-
Young Volunteering	-	26,206	(26,206)		-
COMF	-	106,418	(106,418)		-
Surgery linkworker	(4,386)	4,123	(3,738)	4,000	-
Christmas Lunch Club	-	1,238	(778)	-	459
Skills and employment hub	-	10,605	(10,605)	-	-
Total restricted funds	202,073	1,043,341	(860,769)	777	385,422

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

Wheels to work
Provision of a moped service for young people travelling to work

Christmas Lunch Club
An annual event for those who would otherwise be alone on Christmas Day

START (formerly RASAC)
Counselling and help line services for victims of rape and sexual abuse.

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

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

Young People's volunteering
A project to promote and encourage young people to volunteer

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

14 RESTRICTED FUNDS (continued)

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

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

Surgery Signposter Linkworker
To facilitate surgery based signposting

CONTAIN OUTBREAK MANAGEMENT FUND
To support ongoing public health initiatives and proactive containment and intervention measures o reduce the spread of COVID 19

Skills and Employment HUB
A weekly skills and employment hub

DART/Access Group
To provide disability awareness raising training and to provide easy access path trails

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

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

SBS Leader development programme
Mentoring and training for community group leaders

Community Friends
A Befriending scheme based in the New Forest

Health and Wellbeing
A number of connected projects to reduce high intensity user pressure on NHS resources

15 UNRESTRICTED FUNDS

		At 1 April 2022 £	Incoming resources £	Outgoing resources £	Transfers between funds £	At 31 March 2023 £
Designated funds						
Transport services Havant - asset fund		12,436	-	(3,174)	-	9,262
Transport Winchester - asset fund		6,875	-	(1,719)	-	5,156
Transport services East Hampshire - asset fund		24,685	-	(1,796)	-	22,889
Transport services New Forest - asset fund		4,112	-	(1,844)	-	2,268
		48,108	-	(8,533)	-	39,575
Required reserves policy		350,000	-	-	-	350,000
Community First Investment Fund		736,716	2,366,125	(2,292,707)	-	810,134
General funds excluding exceptional item		736,716	2,366,125	(2,292,707)	-	810,134
Obligation to fund WACA, CAF and CFNF pension liability	15	(869,000)	-	-	820,000	(49,000)
		(132,284)	2,366,125	(2,292,706)	820,000	761,134
Pension reserve (Deferred pension liability £92000 less obligation of £49000, and net movement of £176,000)	15	324,000	629,000	-	(820,000)	133,000
Total unrestricted funds		589,824	2,995,125	(2,301,240)	-	1,283,709

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

15 **Comparative for funds movement**

UNRESTRICTED FUNDS	At 1 April 2021 £	Incoming resources £	Outgoing resources £	Transfers between funds £	At 31 March 2022 £
Designated funds					
Transport services Havant - asset fund	16,548	-	(4,112)	-	12,436
Transport Winchester - asset fund	9,167	-	(2,292)	-	6,875
Transport services East Hampshire - asset fund	28,276	-	(3,591)	-	24,685
Transport services New Forest - asset fund	6,571	-	(2,459)	-	4,112
	60,562	-	(12,454)	-	48,108
Other					
Required reserves policy	350,000	-	-	-	350,000
	350,000	-	-	-	350,000
Community First Investment Fund	628,848	2,348,344	(2,239,698)	(777)	736,716
General funds excluding exceptional item	628,848	2,348,344	(2,239,698)	(777)	736,716
Obligation to fund Winchester Area Community Action Community action Fareham pension liability	(869,000)	-	-	-	(869,000)
	(240,152)	2,348,344	(2,239,698)	(777)	(132,284)
Pension reserve (Deferred pension liability £1071,000 less WACA reserve £458,000, CAF reserve of £166,000 and CFNF reserve of £245,000 and costs of £130,000 included within support costs)	(72,000)	396,000	-	-	324,000
Total unrestricted funds	98,410	2,744,344	(2,252,152)	(777)	589,824

Community First Investment Fund
To support new initiatives and projects

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	TOTAL 2023 £	TOTAL 2022 £
Fixed assets	256,739	14,250	270,989	302,005
Current assets	1,506,436	1,005,994	2,512,430	2,326,014
Liabilities	(479,465)	(621,428)	(1,100,893)	(1,652,773)
	1,283,710	398,816	1,682,526	975,246

17 DEFINED CONTRIBUTION PENSION SCHEME
The company operates a defined contribution pension scheme . The assets of the scheme are held separately from those of the company in an independently administered fund. The pension commitment under this scheme for 2023 was £32,879 (2022: £34,864). There were 69 members in the scheme at the year end (2022: 52).

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

18 DEFINED BENEFIT PENSION SCHEME

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

The deferred pension liability of £92,000 included in the Balance Sheet at 31 March 2023 is derived from the pension scheme's actuarial report for that year.

Winchester City Council has guaranteed to underwrite any deficit arising from the pension fund valuation in respect of those members of the scheme previously employed by WACA. At 31 March 2023, this amounted to approximately £36,600 (at 31 March 2022 £269,000). Fareham Borough Council has guaranteed to underwrite any deficit arising from the pension fund valuation in respect of those members of the scheme previously employed by CAF. At 31 March 2023, this amounted to approximately £14,800, (at 31 March 2022 £91,400).

The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent full valuation was at 31 March 2022, which has been updated to reflect conditions at the balance sheet date. The assumptions that have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rate of increase in salaries and pensions. It was assumed by the actuaries that salary increases would average 4.1% per year and that the present and future pensions would increase at the rate of 3.1% per year.

The HCC Pension liability shown in the Accounts is based on the last HCC Pension Fund (the scheme) valuation dated 31st March 2022 and would have been the sum payable to the scheme had Community First exited the scheme at that date.

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

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

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

Consequently, HCC has changed the basis on which investments are made using these organisations' funds, in future managing their investments in the same way as funds are managed for HCC and other large organisations in the scheme. The impact of this change, based on an exit as at 31 March 2022, would be to reduce the total notional exit liability of Community First from £675,000 to £92,000, which becomes the material liability of the organisation.

The pension charge for the year was £33,432 (2022 £39,139),

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

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

	2023		2022	
Value of scheme assets and liabilities		£		£
Fair value of assets		3,516,000		4,073,000
Present value of fund liabilities		(3,608,000)		(4,748,000)
Pension scheme deficit		(92,000)		(675,000)
Movements in year				
Service cost	(58,000)		(82,000)	
Interest cost	(19,000)		(22,000)	
		(77,000)		(104,000)
Contributions		31,000		43,000
Actuarial (losses)/gains on assets and liabilities		629,000		457,000
Movements in the year		583,000		396,000
Pension scheme deficit at 1 April				
- WACA	(269,000)		(427,000)	
- CAF	(91,000)		(145,000)	
- CFNF	(139,000)		(220,000)	
- CFHEH	(176,000)		(279,000)	
		(675,000)		(1,071,000)
Acquisition of pension fund deficit from CFNF		-		-
Pension scheme deficit at 31 March		(92,000)		(675,000)

19 RELATED PARTIES

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

20 CONTROLLING PARTY

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

21 OPERATING LEASE COMMITMENTS

As at 31 March 2023 the charity had future minimum lease payments under non-cancellable operating leases as follows;

Operating leases which expire:

	Land and buildings		Other	
	2023	2022	2023	2022
Within 1 year	33,981	33,981	19,800	19,800
Between 2 to 5 years	89,178	111,490	16,500	36,300
	123,159	145,471	36,300	56,100

Within the Statement of Financial Activities are expenses totalling £108,295 relating to operating leases (2022 £100,757)

22 CAPITAL COMMITMENTS

As at 31 March 2023 the company had committed to IT investment with Vissensa amounting to £24,577.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

23 POST BALANCE SHEET EVENT

On 1st September 2023 the Company signed an agreement to merge with Wheels For Freedom, a non incorporated charity based in Poole, Dorset which provides mobility services.

24 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2023 £	2022 £
Net movement in funds	707,280	674,763
Add back depreciation charge	43,093	53,974
Add loss on disposal of fixed assets	-	(3,780)
(Gain)/ loss) on investments	6,994	(6,047)
Deduct interest income shown in investing activities	(2,402)	(95)
Increase in stock	(2,154)	-
Decrease /(Increase) in debtors	208,383	(315,886)
Increase/(decrease) in creditors	31,120	48,533
Movement in pension fund	(583,000)	(396,000)
Net cash used in operating activities	409,314	55,460

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2023 (continued)

25 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022
(Including Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
INCOME					
Donations and legacies	3	14,086	104,462	118,547	473,660
Investment Income		95	-	95	1,486
Trading Income					
Miscellaneous income		19,815	-	19,815	25,264
Charitable activities					
Grants & contracts	4	1,724,212	886,014	2,610,227	2,592,977
Fare revenue	4	130,306	-	130,306	84,653
Rental income	4	152,818	18,301	171,119	81,109
Other income	4	239,965	34,564	274,529	96,923
			-	-	-
TOTAL INCOME		2,281,297	1,043,341	3,324,637	3,356,072
EXPENDITURE					
Fundraising		-	-	-	-
Charitable activities	7	2,252,152	860,769	3,112,921	2,859,792
Exceptional item:					
Obligation to fund Community First New Forest pension liability expensed	18	-	-	-	245,000
TOTAL EXPENDITURE		2,252,152	860,769	3,112,921	3,104,792
Net (losses)/gains on investments	3	6,047	-	6,047	23,460
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		35,192	182,572	217,763	274,740
TRANSFERS BETWEEN FUNDS	14,15	(777)	777	-	-
Actuarial(losses)/gains on defined benefit pension funds	18	457,000	-	457,000	183,000
NET INCOME/(EXPENDITURE) FOR THE YEAR		491,415	183,349	674,764	457,740
FUND BALANCES BROUGHT FORWARD		98,410	202,073	300,483	(157,257)
FUND BALANCES CARRIED FORWARD		589,824	385,422	975,246	300,483

COMMUNITIES FIRST WESSEX

England & Wales - Charity number 1147527

Accounts

COMMUNITIES FIRST WESSEX

Company number: 08071971

REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022

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

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

Charity registration number: 1147527

Company registration number: 8071971

Registered office address
Leigh Park Community Centre
Dunsbury Way
Havant
Hampshire
PO9 5BG

Auditors
Morris Crocker
Station House
North St
Havant
PO9 1QU

Bankers
Lloyds Bank PLC
4 West Street
Havant
PO9 1PE

Directors / Trustees serving during the year

Beverley Jones	Chairman
Trevor Lewis	Vice Chairman
Jennifer Owens	
Margaret Woodhead	Resigned 10 September 2021
Dr John Evans	
Denis Gibson	
Clive Graham	
David Eley	
Paul Kirkland	
Janet Lefley MBE	Co-opted 10 September 2021

Chief Executive Officer
Tim Houghton

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2022

Chairman's Foreword

Welcome to this Annual Report of the Trustees and Directors of Communities First Wessex for the year ending March 2022.

It has been a year of two halves – the first 6 months we very much remained in the shadow of the Covid pandemic and its ramifications for the way in which Community First and our member groups provided support for vulnerable people. We remained cautious and focused on helping those most impacted by the pandemic whilst at the same time endeavouring to look to the future anticipating some form of return to normality and the inevitable need to adapt to new ways of working. Indeed we were unsure what capacity and capability would exist in the voluntary, community & social enterprise (VCSE) sector after such an extended period where business as usual was largely suspended. We were equally unsure about how long any recovery would take, how quickly services might return to normal and how quickly customers would reengage or indeed whether habits had been changed permanently. All of this created considerable uncertainty and highlighted the need for Community First to retain its flexibility and resilience.

The latter half of the year was more positive with scope to reopen venues and community hubs, access funding and work with our partners to develop and launch new services and look with more optimism to the future. It was clear however that the pandemic would place a significant burden on our economy and in times of need the charity sector is often at the forefront. Our efforts to support households with food shopping, and to meet basic needs intensified with a greater role in coordinating local efforts and collaborating with our district, county council and NHS partners. We responded effectively and swiftly to each challenge; setting up urgent and emergency grant schemes enabling additional support for those on free school meals, at a moment's notice, channeling support to where needed most, playing our part in setting up and supporting community pantries, building local partnerships to ensure effective collaboration and signposting to reduce the risk of unnecessary duplication.

In the Autumn we responded to yet another crisis as the situation in Afghanistan deteriorated and we were called upon to help coordinate efforts in Hampshire to provide donations of clothing, household items and laptops and to support Afghan evacuees housed in bridging hotels in the south of the county.

We also played our part in early discussions about future investments under the Levelling Up fund trying to ensure that the inequalities that prevailed before and highlighted in the extreme during the pandemic were tackled head on. We continued to show resilience and determination and we know that many vulnerable residents received the critical help and support required because of the response and dedication of our staff and volunteers.

Each year Community First continues to invest in and modernise the way we provide effective support to our service users and voluntary community and social enterprise organisations. We have already come a long way merging 5 organisations into 1 between 2012 and 2020 resulting in substantial savings on overheads and staff, so that more resources can be targeted at new and improved support services alongside greater investment in digital technology. Community First now operates as one single organisation across more than 50% of Hampshire with 80% of the population covered by at least one of our services.

This has proven to be an effective strategy creating additional resilience in our organisation during the pandemic and giving us the headroom to carry on that critical support whilst looking to the future and responding to yet further challenges. Our investment in digital technology allowed us to switch back to business as usual with relative ease with hybrid and remote

working part of the new normal. We come out of the pandemic having delivered and strengthened our crisis response functionality, with a strong balance sheet and the potential to invest reserves, and with continuity in our experienced board and staff team. We implemented our organisation development plan recognising the need to invest in and further develop our staff and continuing to improve our performance. Much was and still is expected. The salary review at the end of 2021 was a starting point – recognising the need to invest but in doing so being very clear with staff about the organisation's future expectations and the need to collectively improve and maintain that high performance.

At the same time, we are reviewing our wider approach, investing in digital technology, redesigning and providing support to mobilise our membership in the most efficient and effective way, piloting new models to help vulnerable people but in way that helps them to help themselves and minimises dependency. As an organisation we believe strongly in people understanding what has to be achieved, what changes are necessary and deliver at pace. Effective planning and quick, decisive action equals better results.

As a result we have delivered some considerable successes during the year;

- Implementing the merger between RASAC (Rape & Sexual Abuse Centre) and BRASACC (Basingstoke's Rape and Sexual Abuse Crisis Centre) to create START delivering an effective and enhanced sexual abuse and trauma counselling services across the whole of north and mid Hampshire.
- Launching and operating the new Clanfield Centre – a community hub focusing on sports and health in East Hampshire with Community First at the helm.
- Securing additional investment from NHS to support wellbeing workers, health advocates and further tackle inequalities some of which have taken a back seat during the pandemic
- Building on our success in mobilising volunteers during the pandemic we secured Lottery funding to roll out a Youth Volunteering initiative and reignited the Timebank initiative in Whitehill & Bordon. Our volunteer service came into its own during the pandemic showing how effective we are at mobilising local volunteers
- Responding effectively and with little notice to support the Afghan evacuees by coordinating donations of clothing and other items and providing support in the bridging hotels to aid distribution – a monumental effort on behalf of our staff and volunteers and demonstrating our ability to reprioritise resources at short notice.

Despite and in addition to the COVID, cost of living and Afghan evacuee challenges, we continue to play a leading role in Hampshire's CVS network as the Single Contracted Organisation for Hampshire County Council voluntary sector infrastructure support grant. We continue to adapt arrangements ensuring it works well and delivers HCC priorities. Toward the end of the year the arrangements switched to be more focused on Adults Health & Care and Children's Services and Community First looks forward to continuing as SCO for 2022/23 year under this new arrangement. We are very grateful to the support we get from our member groups continuing to grow in number and helping to give them a voice in an ever changing and complex operating environment. We are grateful to Hampshire County Council, East Hampshire District Council, Havant Borough Council, New Forest District Council and Winchester City Council, Basingstoke & Deane Borough Council and Fareham Borough and Chichester District Councils, the NHS and Hampshire, Southampton and IOW Clinical Commissioning Group (now the Hampshire & IOW Integrated Care Board), the Office of the Police and Crime Commissioner, Ministry of Justice, Hampshire & IOW Community Foundation and the many parish and town councils, National Lottery and many others who contribute time, expertise and money to help our cause. We thank our staff and army of

volunteers who together have a real appetite to do more since the pandemic and are grateful for the expertise of our business sector partners.

I am very grateful to my fellow directors for contributing considerable time and effort in helping us develop and sustain an organisation with a can-do attitude toward maintaining and developing new services. The board wants the organisation to thrive, to see it doing things differently, will invest time in revising our strategy later in 2022/23 in order to steer a way forward that enables us over the coming years to:

- improve the wellbeing and health of communities in which we operate, making life better for everyone
- be a credible and preferred partner for funders, members and customers
- generate income and surplus from our services to re-invest in developing our capacity, resilience and self-sufficiency, alongside that of the wider voluntary sector.
- continue to grow through mergers and partnerships.

As we learn to live with the legacy of the pandemic and battle ever increasing and rising costs exacerbated by fragility on the global stage we face a further period of considerable uncertainty. However opportunities for Community First to take the initiative, to develop innovative solutions and to provide a leading voice for the VCSE sector in Hampshire stand us in good stead.

Beverley Jones
Chairman

Management and Governance

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

Communities First Wessex has been created following merger of 5 district CVSs (Councils of Voluntary Service); incorporating Havant Council of Community Service and Community First East Hampshire (2012), Winchester Area Community Action (2015), Community Action Fareham (2018) and Community First New Forest (2020). We operate at scale with central management and governance, whilst retaining local teams and services embedded in ad reflecting the needs of the communities we serve and working collaboratively with our member groups.

Board of Directors and Senior Management

The Trustees of the Charity are the Directors of the Company. The Directors meet up to 6 times each year supported by a monthly Executive Committee comprising Chair, Vice Chair and CEO, a Finance Committee and a Remuneration and HR Committee. Additional working parties are created when required and Directors are encouraged to support specific programmes aligned to their relevant expertise and knowledge.

The Directors are responsible for determining the strategy and establishing plans to meet our charity objects. The Executive Committee oversees the plans, ensuring there are appropriate resources including finance, operational staffing and business development capacity, to

implement these effectively. The Senior Leadership Team comprising Chief Executive, Finance Director, Community Development Director and Performance & Operations Director are responsible for the day-to-day management of the organisation and service delivery.

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

Recruiting and Supporting Directors

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

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

Aims, Objectives, Activities and Achievements

The Charity's objects are:

a) to promote any charitable purposes for the benefit of the public in Hampshire including the advancement of education, the protection of health and the relief of poverty, distress and sickness, and to provide people with the necessary support, information and services to enable them to pursue or contribute to charitable purposes

b) to promote, organise and facilitate co-operation and partnership working between third sector, statutory and other relevant bodies in Hampshire.

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

Our activities and services include;

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

- **Volunteering;** working with individuals and voluntary groups to recruit, place, support and train community volunteers leading to a significant increase in the number and range of people taking up volunteering for the first time and providing opportunities for those needing support to volunteer.

- **Health and Wellbeing**; Support to enable commissioners and those working in local authority health & social care, children's services and in the NHS to access and utilise expertise in the voluntary and community sector to deliver better health and wellbeing outcomes for residents including older and vulnerable people and those in crisis.

- **Community hubs;** operating community and sports facilities and advising those managing community buildings

- **Accessible and affordable community transport** in Basingstoke, East Hampshire, Fareham, Gosport, Havant, New Forest, Winchester and surrounding areas. We also provide services helping young people to get to work through our Wheels to Work initiative

- **Mobility**; helping people stay mobile and active in town centres and at significant events

- **Specialist trauma based counselling** supporting those who have suffered sexual abuse, rape and trauma through our dedicated START service

- **Young people;** Providing advice, guidance and support for young people through our young carers initiative

As an independent membership organisation we believe that we are stronger by working together. We relaunched our membership and provided more effective digital self-serve toolkits and resources enabling us to better support local VCSE organisations

Our priorities in 2021– 2022:

1. Provide and mobilise support to vulnerable people and to assist organisations providing support during the COVID 19 pandemic and cost of living crisis

2. Enable VCSE organisations to deliver greater impact and maintain viability, including identifying and supporting funding bids, building partnerships and exploring commissioning with local authorities and NHS partners. We work closely with Clinical Commissioning Groups, NHS bodies and local authorities to help communities build resilience and to reduce reliance on social care and health services.

3. Be the single contracted organisation and continue to lead the CVS network for Hampshire.

4. Provide organisations with one-to-one support and advice on governance, income generation, restructuring, staff development and DBS checks.

5. Deliver quality training helping groups to up-skill, become sustainable and adapt service delivery models to meet funders' requirements. Through training and personal development, we also provide support for those seeking to return to work.

6. Promote and support volunteering responding to greater awareness of opportunities and need created by the pandemic, increasing the number and diversifying the age profile of volunteers. In addition we will make volunteering inclusive, supporting people with learning disabilities and mental health needs, to take up volunteering.

7. Develop and deliver services to local communities;
    a. Community Transport services across East Hampshire, Fareham, Gosport, Havant, Winchester and Basingstoke & Deane and deliver Shopmobility in Chichester, Fareham and Winchester and for events.
    b. Health and Wellbeing services through our Wellbeing Workers, social prescribing, Home Help, gardening and voluntary car scheme
    c. Managing Community hubs at Clanfield Centre in East Hampshire and Heart of the Park in Leigh Park, Havant
    d. START - providing counselling and support for victims of sexual abuse
    e. Young Carers – support for young people with caring responsibilities in the New Forest

8. Improve our marketing and better articulate our offer and positioning us with key partners and decision makers and further measure and demonstrate the impact of our intervention and support.

Our performance and achievements in 2021/22 were in part impacted by the pandemic but recovery was necessary especially in light of the emerging cost of living crisis and we;

- Supported and gave voice to 667 VCSE organisations

- Recruited and mobilised an additional 462 volunteers, 127 young volunteers and 282 clients on our Positive Pathways supported volunteering programme. We also delivered more than 900 exchanges of time and skills on our Timebank initiative

- Secured £575,000 of additional investment in VCSE organisations

- Trained 1,240 learners

- Carried more than 84,500 passengers on 27,700 journeys on our community transport, 770 passengers through our voluntary car scheme, over 900 customers used our mobility scooter hire and 35 hirers benefitted from our Wheels to Work

- Had nearly 60,000 visits to our Community Hubs in Clanfield and Leigh Park

- Supported 220 young carers in the New Forest

- Helped 502 victims of sexual trauma and abuse through our START counselling service

- Provided a lifeline to 280 clients of our Home Help service helping a further 95 older and vulnerable people with shopping and 78 with gardening.

- Delivered nearly 1,000 healthy walks for people of all ages and abilities helping to improve physical and mental wellbeing particularly for those who had become isolated during the pandemic

Future Plans
We will continue to extend our influence and impact reviewing our operations in light of the current economic challenges and responding to new opportunities and growing needs in our communities. We will continue to grow our membership ensuring we are a leading voice for VCSE in Hampshire positioning ourselves as a modern CVS cultivating social action ensuring communities are empowered and can work towards building and sustaining their own resilience and mobilising our membership and community volunteers to make life better for everyone.

We will invest in

- Fundraising – increasing our expertise and capacity to raise money with and for the VCSE sector and to support key aims of partner organisations in social care and NHS services
- Volunteering – recognising that post pandemic and will current cost of living leading to significant demand no many charity services there is a significant opportunity to scale up our volunteer brokerage mobilising many more volunteers. We will continue to support and encourage young volunteers helping groups create the right environment to host and support safely and we will continue to build relationships with corporates to maximise the potential for employee volunteering schemes
- Marketing and PR – whilst modest progress has been made we need to raise our profile and ensure we and our achievements are recognised and valued by our key stakeholders and partners principally local authorities, NHS partners, funders and those with influence
- Digital platforms and systems – furthering our reach and impact we will ensure our digital connectivity underpins all that we do and optimise technology wherever possible to streamline processes and minimise costs. We recognise this may necessitate some further investment and plans will be brought forward in 22/23

We aim to continue to lead the Hampshire CVS network as the Single Contracted Organisation for Hampshire County Council for as long as the arrangement continues, and continue to work towards collaboration within the local Hampshire CVS network seeking ways to reduce duplication and increase effectiveness.

We will drive forward our engagement with the Health and Social Care Integrated Care Board and related organisations, continuing to lead the Social Prescribing Network and becoming an active member of the Hampshire and Isle of Wight VCSE Health and Care Alliance with the aim of being commissioned to deliver preventative services with increasing recognition of the role that the voluntary and community services sector plays in supporting healthy communities and reducing health inequalities.

We will position START as the leading trauma and sexual abuse counselling service in Hampshire, supporting clients and survivors across north and mid Hants. We will build on and further develop our LOTUS residential counselling service in order to further manage waiting

Community transport services will continue and we will further pursue opportunities to deliver more SEN school contracts and find cost effective ways of delivering transport at scale. We will also further develop our offer to support and help people access health appointments.

We will continue to explore the possibility of mergers and partnerships to ensure the sector is operating in the most effective and efficient way and to maximise impact on beneficiaries.

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

Financial Review.

Revenues started to recover post the pandemic but we didn't see a full return to services and at the same time no longer had access to some of the additional emergency funding made available in response to the pandemic. Whilst revenue decreased slightly compared to the prior year overall financial performance remained strong with surplus in excess of £200k

We had total income of £3.325m in 2021/22, compared to £3.356m in 20/21. The prior year included a donation following merger with Community First New Forest and saw many services suspended during the pandemic, which meant like for like operating performance improved significantly in 2021/22.

The Charity has a defined salary pension scheme with Hampshire County Council. The adjustment in the actuarial valuation on our defined salary pension scheme resulted in a gain of £457k compared to a gain of £183k in the prior year. HCC has changed the basis on which investments are made using organisation's funds and will manage our investments in the same way as funds are managed for HCC and other large organisations in the scheme. The impact of this change, would be to reduce the total notional exit liability of Community First from £1.071m to £675k

In addition Winchester City Council and Fareham Borough Council guarantee to underwrite any deficit arising from the pension fund valuation in respect of those members of the scheme previously employed by organisations operating in their respective areas. At 31 March 2022, this amounted to approximately £269,000 for Winchester and £91,400 for Fareham.

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The company continues to work with HCC to address and work towards reducing the pension deficit. As a result the material liability is significantly less than the deferred pension liability and we continue to pay in deficiency contributions to close the funding gap over a period of 25 years. A full analysis of the pension liability including deferred liability, guaranteed underwriting, top up payments and charges and residual material liability is set out in note 18 to the accounts.

The charity continues to take appropriate and considered steps to diversify its funding base, to manage costs and identify new sources of income and support and to build on its strengths and track record in public service delivery, including effective support for the local voluntary and community sectors. We continue to operate against a backdrop of further reductions and challenges in public sector funding impacting local authority budgets for both grants and

commissioned services. New funds were identified and secured from NHS and grants from lottery and Government funding to support recovery from the pandemic and to tackle the impact of rising cost of living. The shift from grant funding to commissioned services opens up new business opportunities for the charity which we continue to explore albeit acknowledging the risk of increasing competition.

During the year we retained our 120 staff (by head count) adapting quickly to remote and hybrid working and making best use of resources as new opportunities were identified. Our Board remains 'business focused' and with the support of the CEO and experienced Finance Director has provided appropriate fiscal management during the year enabling us to further build our reserves.

Funding
During the year, we were successful with a number of funding bids and tenders with local authorities, the National Community Lottery Fund, Office of Police & Crime Commissioner and Clinical Commissioning Groups (now Integrated Care Board) and we were also successful in maintaining investment Community development and Transport funding from HCC and district partners.

Specific and principal funding included;

- Infrastructure grant from Hampshire County Council through investment in an agreed development plan and a single contracted organisation to deliver infrastructure support for VCSE and encourage volunteering and grants from Havant Borough Council, East Hampshire District Council and New Forest District Council.
- Contract income from Winchester City Council for a commissioned service to support Voluntary and Community Sector organisations in Winchester District.
- Grant funding from Hampshire, Southampton and IOW partnership of CCGs (now Integrated Care Board) to support forums and co-ordinate the Social Prescribing Network and deliver new wellbeing programme and initiatives to tackle health inequalities
- Hampshire County Council contracts supported by the Boroughs and Districts, for Community Transport, Dial-A-Ride, Call and Go and SEN school transport contracts. Further income was generated from fares.
- Ministry of Justice grant (administered by the Office of Police & Crime Commissioner), HCC and NHS grant for START with additional funds to launch our Lotus residential intensive support service to reduce waiting lists
- Hampshire Learns funding (HCC) for training albeit with a reduced number of lots and ESF/Hampshire & IOW Community Foundation grants for a skills and employment hub in Havant
- Grants from Winchester City Council, Fareham Borough Council & Chichester District Council and hire income from customers for Shopmobility
- The National Community Lottery Fund for Positive Pathways in Havant and to support expansion of Time Banking in Woolmer Forest and Wellbeing Workers in Havant, Fareham and New Forest and to set up a 2 -year Youth Volunteering Programme.

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

- Unrestricted reserves equivalent to up to 6 months of planned running costs or as determined by Charity Commission guidelines and Company Law.

- A designated reserve has been created to cover any unforeseen events, as well as the possibility that funding might not always be obtained. The calculation of this reserve takes into account
    - Six months support services' running costs
    - Outstanding rent commitments (up to break clause dates)
    - Outstanding lease and hire commitments to end of contract
    - Provision for legal costs
    - Provision for property dilapidations

- The Purpose of designating reserves is to
    - cover any loss on realisation of any fixed assets and any additional contractual liabilities
    - accumulate funds for specific purposes as determined by the Board of Trustees from time to time.
    - invest in innovative services which can be piloted and tested to better meet the needs of our beneficiaries including vulnerable people by the creation of the Community First Investment Fund. The aim of such enterprises and innovative services is to reduce the charity's dependence on public sector funding by finding more reliable sources of funding for its services.

- Restricted reserves are held to cover the extent that funds for restricted purposes have not been fully expended. No additional reserves will be established for restricted projects. This policy is principally to enable the Charity to continue operations whilst awaiting receipt of Grants many of which are paid in arrears. This enables the charity to pay contractual liabilities in the event that grants are discontinued or significantly reduced whilst services are realigned and to recover the potential loss on fixed asset investments in the event that funding is withdrawn or contracts ended prematurely.

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

At 31 March 2022 we have £1,264,824 in unrestricted reserves, before considering pension reserves of (£675,000). Of this £48,108 is designated to support the development of on-going activities (see note 15). A reserve of £350,000 has been created to cover any unforeseen events as well as the possibility that funding might not always be obtained and ensure continuity of our core function for at least 3 months. The Board has allocated £736,716 into a Community First Investment Fund to access new funding and income streams and pump prime innovative ideas for new services for our beneficiaries.

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

Managing Risk

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

Our significant risks

We face on-going risk to our revenues which are predominantly from public sector contracts and grants, principally HCC and which are subject to future public sector spending cuts and threats to the overall public finance position as the economic impact of the pandemic, rising costs of living and global uncertainty prevail. Expenditure remains under close scrutiny and local authority grants and commissioned services are subject to cuts in 2023 and again in 2025 resulting in less money at a time when demand for our services and requests for support from our members is increasing. We are reducing our reliance on core grants and diversifying our activities to attract new sources of income. We continue to explore opportunities to further increase scale, impact and generate revenues, through partnership working, collaboration and possible mergers. We are also exploring new opportunities for generating sales and raising revenue by expanding our transport, diversifying tour raining and growing our health & wellbeing services which are in high demand. As public sector funding continues to diminish more customer/beneficiaries may be asked to pay towards services but we are also seeking opportunities to maximise use of our assets and expertise to generate income which can be reinvested in essential community support and services. This will increase our income from non-public sector sources but will also enable us to take advantage of new funding opportunities with the health sector via the new ICB and NHS with increasing recognition of the role the Voluntary and Community Sector plays in supporting healthy communities and reducing health inequalities. At the end of 21/22 we were able to secure significant NHS investment in some pilot activity include health advocacy, wellbeing workers, and to target high intensity users of health services.

We maintain strict internal controls and procedures for authorising transactions and payments which reduce financial risks and minimise risk of fraud. Only authorised signatories can sign or commit the organisation to enter into grant agreements, make payments and contractual or other liabilities. We review our financial procedures annually to ensure that authorisation levels remain appropriate and robust and work closely with our bank to minimise risk of fraud

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

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

Since the pandemic we have put in place significant support for mental health & wellbeing which we see as long-term investment in supporting our staff and in ensuring our services can continue to be delivered safely. We have introduced and embedded a hybrid working policy which has flexibility to suit staff and organisational priorities.

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

Directors' responsibilities

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

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities Act 2011. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

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

Approved by the Board and signed on its behalf by:



.....
Beverley Jones
Chairman of Board of Directors

Date: 23 January 2023

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITIES FIRST WESSEX FOR THE YEAR ENDED 31 MARCH 2022

Opinion

We have audited the financial statements of Communities First Wessex for the year ended 31 March 2022 which comprise the Statement of Financial Activities, Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Policies) including FRS102,' The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion, the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard

Opinion on Other Matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITIES FIRST WESSEX FOR THE YEAR ENDED 31 MARCH 2022

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

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

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

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.
Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITIES FIRST WESSEX FOR THE YEAR ENDED 31 MARCH 2022

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



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

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

Date: 28 January 2023

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

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022
(Including Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
INCOME					
Donations and legacies	3	14,086	104,462	118,547	473,660
Investment Income		95	-	95	1,486
Trading Income					
Miscellaneous income		19,815	-	19,815	25,264
Charitable activities					
Grants & contracts	4	1,724,212	886,014	2,610,227	2,592,977
Fare revenue	4	130,306	-	130,306	84,653
Rental income	4	152,818	18,301	171,119	81,109
Other income	4	239,965	34,564	274,529	96,923
			-	-	-
TOTAL INCOME		2,281,297	1,043,341	3,324,637	3,356,072
EXPENDITURE					
Fundraising		-	-	-	-
Charitable activities	7	2,252,152	860,769	3,112,921	2,859,792
Exceptional item:					
Obligation to fund Community First New Forest pension liability expensed	18	-	-	-	245,000
TOTAL EXPENDITURE		2,252,152	860,769	3,112,921	3,104,792
Net (losses)/gains on investments	3	6,047	-	6,047	23,460
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		35,192	182,572	217,763	274,740
TRANSFERS BETWEEN FUNDS	14,15	(777)	777	-	-
Actuarial(losses)/gains on defined benefit pension funds	18	457,000	-	457,000	183,000
NET INCOME/(EXPENDITURE) FOR THE YEAR		491,415	183,349	674,763	457,740
FUND BALANCES BROUGHT FORWARD		98,410	202,073	300,483	(157,257)
FUND BALANCES CARRIED FORWARD		589,824	385,422	975,246	300,483

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

COMMUNITIES FIRST WESSEX **Company number: 8071971**
(Company limited by guarantee and not having a share capital)

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2022

	Note	£	2022 £	£	2021 £
FIXED ASSETS					
Tangible assets	9		154,673		203,122
Investments	10		147,332		141,285
			302,005		344,407
CURRENT ASSETS					
Stocks	11	-		-	
Debtors	12	601,847		285,959	
Cash at bank and in hand		1,724,167		1,670,357	
		2,326,014		1,956,316	
CREDITORS: amounts falling due within one year:	13	(977,773)		(929,240)	
NET CURRENT ASSETS			1,348,241		1,027,076
NET ASSETS EXCLUDING PENSION LIABILITY			1,650,246		1,371,483
Defined pension scheme liability	18		(675,000)		(1,071,000)
NET ASSETS INCLUDING PENSION LIABILITY			975,246		300,483
FUNDS					
UNRESTRICTED FUNDS					
Designated funds	15		398,108		410,562
General funds	15		(132,284)		(240,152)
Unrestricted funds excluding pension liability			265,824		170,410
Pension reserve	15		324,000		(72,000)
Total unrestricted funds			589,824		98,410
RESTRICTED FUNDS	14		385,423		202,073
TOTAL FUNDS			975,247		300,483

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

Approved by the trustees on 23rd January 2023
and signed on their behalf by:

Beverley Jones
Chairperson

Trevor Lewis
Trustee

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022	2021
		£	£
Cash (used in)/ provided by operating activities	22	55,459	1,319,389
Cash flows from investing activities			
Interest income		95	1,486
Purchase of tangible fixed assets		(13,473)	(32,075)
Sale of tangible fixed assets		11,729	5,750
Cash provided by/(used in) investing activities		(1,649)	(24,839)
(Decrease)/increase in cash and cash equivalents in the year		53,810	1,294,550
Cash and cash equivalents at the beginning of the year		1,670,357	375,807
Cash and cash equivalents at the end of the year		1,724,167	1,670,357

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022

1 STATEMENT OF COMPLIANCE

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

2 ACCOUNTING POLICIES

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

(a) **Basis of accounting**

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

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

(b) **Income**

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

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

c) **Expenditure**

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

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

(d) **Tangible Fixed assets**

Fixed assets are stated in the balance sheet at cost less depreciation. Fixed assets are capitalised for ongoing use within the company, where the individual cost of the asset exceeds £2,000.

Depreciation is provided so as to write off the cost of the fixed assets, less their residual value, in equal annual instalments over the estimated useful lives of the assets, at the following rates:

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

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

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

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

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

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

(i) **Recognition of liabilities**
A liability arises as soon as there is a legal or constructive obligation committing the charity to the expenditure.

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

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

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

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

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

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

The deficit on the scheme, representing the shortfall on the value of the scheme assets below the present value of the scheme liabilities is recognised as a liability on the balance sheet to the extent that the employer charity is able to recover a surplus or has a legal or constructive obligation for the liability. A corresponding pension reserve is included within total unrestricted funds. A proportion of the deficit; that part relating specifically to the former employees of Winchester Area Community Action, is the subject of a guarantee from Winchester City Council. In addition, that part relating specifically to the former employees of Community Action Fareham, is the subject of a guarantee from Fareham Borough Council.

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

(o) **Going Concern**

The trustees have prepared, reviewed and formally approved detailed trading and cash flow projections covering the period to 31 March 2023. On the basis of these projections they have assessed that CFW has adequate financial resources and the appropriate structures in place to manage its operational risks. In addition, the budgeting and forecasting process has taken account of the current economic and funding climate and its potential impact on our various sources of income and expenditure. Therefore, the Trustees are confident that there is a reasonable expectation that CFW has adequate resources and control mechanisms to continue in operational existence for the foreseeable future and, on this basis the Trustees believe, to the best of their belief and knowledge, that CFW remains a going concern for at least the period to March 2022 and, accordingly these financial statements have been prepared on the going concern basis.

3 NET INCOME/(EXPENDITURE)

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

	2022	2021
	£	£
Donations	(118,547)	(473,660)
Depreciation	53,974	66,239
(Profit)/Loss on sale of assets	(3,780)	8,680
Unrealised gain on fixed asset investments	6,047	23,460
Auditor's remuneration - audit	8,000	7,000

Under the terms of a merger agreement with BRASACC effective 1 April 2021, the reserves of that organisation has been donated to Communities First Wessex and included in donations above(£98,814). In the previous year, under the terms of the merger agreement with Community First New Forest effective 1 April 2020, the reserves of that organisation were donated to Communities First Wessex and included in donations above (£448,810).

4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Transport services	Information & support	Core activity	Total 2022	Total 2021
	£	£	£	£	£
Grants	108,354	1,073,690	283,551	1,465,595	1,474,880
Contracts	1,117,936	26,696	-	1,144,632	1,118,097
Fare income	130,306	-	-	130,306	84,653
Rental income	17,101	154,018	-	171,119	81,109
Other income	97,617	175,049	1,863	274,529	96,923
	1,471,314	1,429,453	285,413	3,186,180	2,855,662

Included in Grants above are the following amounts received from:

	2022	2021
	£	£
UK Government grants	1,252,109	1,226,312
Grants- other agencies	213,486	248,568
	1,465,595	1,474,880

UK Government grants includes £213,204 (before deferral) received from the Ministry of Justice (OPCC) for support for victims of Rape and Sexual Abuse (2021 £187,410).Other grants includes £226,613 received from the BIG Lottery (2021 £197,053).

5 STAFF COSTS

	2022	2021
	£	£
Wages and salaries	1,708,980	1,535,268
Social security costs	116,144	102,831
Pension contributions	74,003	72,525
Redundancy costs	-	25,899
	1,899,127	1,736,523

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

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

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

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

	2022	2021
Provision of services	97	95
Management & administration	11	10
	108	105

Key management personnel	2022	2021
	£	£
Remuneration paid to key management personnel during the year (9), 2021(9)	398,837	368,371

6 VOLUNTEERS

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

7 CHARITABLE ACTIVITIES

	Transport services	Information & support	Core activity	Total 2022	Total 2021
	£	£	£	£	£
COSTS DIRECTLY ALLOCATED TO ACTIVITIES					
Staff costs	692,368	695,194	181,346	1,568,908	1,370,044
Volunteer costs	525	14,385	-	14,910	11,259
Transport costs	309,081	2,466	-	311,547	246,584
Administration	19,499	81,564	4,781	105,844	95,554
Depreciation and (profit)/ loss on sale of assets	45,036	3,958	1,199	50,193	74,918
Other direct costs	11,620	344,461	15,892	371,973	346,806
	1,078,130	1,142,026	203,218	2,423,375	2,145,165
SUPPORT COSTS ALLOCATED					
Rent, rates & utilities	65,828	105,663	5,084	176,574	163,486
Staff costs	142,016	88,006	57,197	287,219	327,479
Administration	42,823	36,692	6,714	86,229	98,160
Provision for doubtful debts	-	-	13,475	13,475	4,487
Bank charges and interest	2,280	3,917	52	6,249	3,683
Governance Costs	8,149	6,413	1,238	15,800	24,333
Pension fund - current service cost	-	-	82,000	82,000	66,000
Pension fund - Interest cost	-	-	22,000	22,000	27,000
	261,096	240,691	187,760	689,546	714,627
	1,339,225	1,382,717	390,979	3,112,921	2,859,792

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

8 GOVERNANCE COSTS

	2022	2021
	£	£
Legal and professional fees	5,885	11,788
Audit, accountancy and actuarial fees	9,915	12,545
Cost of AGM and incidental trustee meetings	-	-
	15,800	24,333

9 TANGIBLE FIXED ASSETS

	Land and Buildings	Plant and machinery including Motor Vehicles	Fixtures fittings and equipment	Total
	£	£	£	£
Cost				
At 1 April 2021	15,776	398,816	121,297	535,889
Additions	-	10,750	2,723	13,473
Disposals	-	(35,656)	-	(35,656)
At 31 March 2022	15,776	373,910	124,020	513,706
Depreciation				
At 1 April 2021	10,635	237,644	84,488	332,767
Charge for the year	3,665	38,480	11,830	53,974
Eliminated on disposal	-	(27,708)	-	(27,708)
At 31 March 2022	14,300	248,416	96,318	359,033
Net book value				
At 31 March 2022	1,476	125,494	27,702	154,673
At 1 April 2021	5,141	161,172	36,809	203,122

10 INVESTMENTS

	Unlisted investments
	£
Cost or Valuation	
At 1 April 2021	141,285
Additions	-
Revaluation	6,047
At 31 March 2022	147,332

11 STOCKS

	2022	2021
	£	£
Finished goods	-	-

12 DEBTORS

	2022	2021
	£	£
Trade debtors	489,917	183,326
Other debtors	38,033	18,883
Prepayments & accrued income	73,896	83,750
	601,847	285,959

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

13 CREDITORS: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	51,162	72,619
Other taxation and social security	88,725	82,634
Other creditors	41,668	40,284
Accruals & deferred income	796,219	733,703
	977,773	929,240

Deferred income

Deferred income is grants received for future accounting periods

	2022	2021
	£	£
Brought forward	650,465	102,382
Amounts released to incoming resources	(399,697)	(50,831)
Amounts deferred in year	445,321	598,914
Amounts carried forward	696,089	650,465

14 RESTRICTED FUNDS

	At 1 April 2021	Incoming resources	Outgoing resources	Transfers between funds	At 31 March 2022
	£	£	£	£	£
Shopmobility Chichester	(20,060)	36,704	(33,682)	-	(17,038)
DART	4,262	-	-	-	4,262
Access Group	2,770	-	-	-	2,770
Youth work	4,726	-	-	(4,725)	-
Community First Delivers	0	4,000	(3,801)	(199)	-
SBS	(6,437)	5,000	(2,691)	-	(4,128)
Young Carers	26,448	71,332	(71,332)	-	26,448
Social Prescribing Network	(1,531)	8,672	(8,672)	1,531	-
Wheels to Work	24,047	80,287	(77,355)	-	26,979
START	46,705	519,410	(351,371)	-	214,744
Positive pathways	-	57,357	(57,357)	-	-
Shopmobility Winchester	101,591	56,129	(50,903)	-	106,817
Shopmobility Winchester - asset fund	24,108	-	-	-	24,108
Woolmer Timebanking	0	55,859	(55,859)	-	-
Park Play	(170)	-	-	170	-
Young Volunteering		26,206	(26,206)	-	-
COMF		106,418	(106,418)	-	-
Surgery linkworker	(4,386)	4,123	(3,738)	4,000	-
Christmas Lunch Club	-	1,238	(778)	-	459
Skills and employment hub	-	10,605	(10,605)	-	-
Total restricted funds	202,073	1,043,341	(860,769)	777	385,423

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

Comparative for funds movement

RESTRICTED FUNDS	At 1 April 2020 £	Incoming resources £	Outgoing resources £	Transfers between funds £	At 31 March 2021 £
Shopmobility Chichester	(18,399)	24,086	(25,747)	-	(20,060)
DART	4,262	-	-	-	4,262
Access Group	2,770	-	-	-	2,770
Youth work	24,314	-	(19,588)	-	4,726
Being independent in later life (BILL)	-	82,961	(82,961)	-	-
Safe on the streets	-	15,501	(21,938)	-	(6,437)
Youth Grandparents	-	99,633	(73,185)	-	26,448
Youth troubled families	-	16,645	(18,177)	-	(1,531)
Skills to grow	-	102,427	(78,380)	-	24,047
RASAC	46,705	202,523	(202,523)	-	46,705
Positive pathways	-	60,854	(60,854)	-	-
Shopmobility Winchester	101,520	46,108	(46,037)	-	101591
Shopmobility Winchester - asset fund	25,039	1,204	(2,135)	-	24108
Woolmer Timebanking	-	35,328	(35,328)	-	-
Park Play	-	19,720	(19,890)	-	(170)
Surgery linkworker	-	13,500	(17,886)	-	(4,386)
CVS Network	-	250	(250)	-	-
Community Development East Hampshire	6,329	-	-	(6,329)	-
Total restricted funds	192,540	871,290	(855,429)	(6,329)	202,073

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

Wheels to work
Provision of a moped service for young people travelling to work

Christmas Lunch Club
An annual event for those who would otherwise be alone on Christmas Day

START (formerly RASAC)
Counselling and help line services for victims of rape and sexual abuse.

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

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

Young People's volunteering
A project to promote and encourage young people to volunteer

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

14 RESTRICTED FUNDS (continued)

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

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

Surgery Signposter Linkworker
To facilitate surgery based signposting

CONTAIN OUTBREAK MANAGEMENT FUND
To support ongoing public health initiatives and proactive containment and intervention measures o reduce the spread of COVID 19

Skills and Employment HUB
A weekly skills and employment hub

DART/Access Group
To provide disability awareness raising training and to provide easy access path trails

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

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

SBS Leader development programme
Mentoring and training for community group leaders

15 UNRESTRICTED FUNDS

		At 1 April 2021 £	Incoming resources £	Outgoing resources £	Transfers between funds £	At 31 March 2022 £
Designated funds						
Transport services Havant - asset fund		16,548	-	(4,112)	-	12,436
Transport Winchester - asset fund		9,167		(2,292)		6,875
Transport services East Hampshire - asset fund		28,276	-	(3,591)		24,685
Transport services New Forest - asset fund		6,571	-	(2,459)		4,112
		60,562	-	(12,454)	-	48,108
Other						
Required reserves policy		350,000	-	-	-	350,000
		350,000	-	-	-	350,000
Community First Investment Fund		628,848	2,348,344	(2,239,698)	(777)	736,716
General funds excluding exceptional item		628,848	2,348,344	(2,239,698)	(777)	736,716
Obligation to fund WACA, CAF and CFNF pension liability	15	(869,000)	-	-	-	(869,000)
		(240,152)	2,348,344	(2,239,698)	(777)	(132,284)
Pension reserve (Deferred pension liability £675000 less obligation of £869,000, and net movement of £130,000)	15	(72,000)	396,000	-	-	324,000
Total unrestricted funds		98,410	2,744,344	(2,252,152)	(777)	589,824

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

15 **Comparative for funds movement**

UNRESTRICTED FUNDS	At 1 April 2020 £	Incoming resources £	Outgoing resources £	Transfers between funds £	At 31 March 2021 £
Designated funds					
Transport services Havant - asset fund	21,930	-	(5,382)	-	16,548
Transport Winchester - asset fund	12,223		(3,056)		9,167
Transport services East Hampshire - asset fund	33,066	-	(4,790)		28,276
Transport services New Forest - asset fund	-	6,571			6,571
	93,629	6,571	(13,228)	(777)	60,562
Other					
Required reserves policy	178,000	-	-	172,000	350,000
	178,000	-	-	172,000	350,000
Community First Investment Fund	283,984	2,501,671	(1,991,136)	(165,671)	628,848
General funds excluding exceptional item	283,984	2,501,671	(1,991,136)	(165,671)	628,848
Obligation to fund Winchester Area Community Action					
Community action Fareham pension liability	(624,000)		(245,000)	-	(869,000)
	(340,016)	2,501,671	(2,236,136)	(165,671)	(240,152)
Pension reserve (Deferred pension liability £1071,000 less WACA reserve £458,000, CAF reserve of £166,000 and CFNF reserve of £245,000 and costs of £130,000 included within support costs)	(255,000)	183,000	-	-	(72,000)
Total unrestricted funds	(349,797)	2,691,242	(2,249,364)	6,329	98,410

Community First Investment Fund
To support new initiatives and projects

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	TOTAL 2022 £	TOTAL 2021 £
Fixed assets	281,195	20,810	302,005	344,407
Current assets	1,249,005	1,077,009	2,326,014	1,956,316
Liabilities	(940,376)	(712,397)	(1,652,773)	(2,000,240)
	589,824	385,422	975,246	300,483

17 DEFINED CONTRIBUTION PENSION SCHEME
The company operates a defined contribution pension scheme . The assets of the scheme are held separately from those of the company in an independently administered fund. The pension commitment under this scheme for 2022 was £34,864 (2021: £33,880). There were forty four members in the scheme at the year end (2021: fifty-one).

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

18 DEFINED BENEFIT PENSION SCHEME

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

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

The deferred pension liability of £675,000 included in the Balance Sheet at 31 March 2022 is derived from the pension scheme's actuarial report for that year. This report also provided comparative figures at the date that CFW and CFNF combined on 1 April 2020. The movement in the fund shown below for the previous year relates to the period since the entities combined.

Winchester City Council has guaranteed to underwrite any deficit arising from the pension fund valuation in respect of those members of the scheme previously employed by WACA. At 31 March 2022, this amounted to approximately £269,000 (at 31 March 2021 £427,000). Fareham Borough Council has guaranteed to underwrite any deficit arising from the pension fund valuation in respect of those members of the scheme previously employed by CAF. At 31 March 2022, this amounted to approximately £91,400, (at 31 March 2021 £148,000).

The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. As mentioned above, the most recent full valuation was at 31 March 2019, which has been updated to reflect conditions at the balance sheet date. The assumptions that have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rate of increase in salaries and pensions. It was assumed by the actuaries that salary increases would average 4.1% per year and that the present and future pensions would increase at the rate of 3.1% per year.

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

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

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

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

Consequently, HCC has changed the basis on which investments are made using these organisations' funds, in future managing their investments in the same way as funds are managed for HCC and other large organisations in the scheme. The impact of this change, based on an exit as at 31 March 2016, would be to reduce the total notional exit liability of Community First from £1,071,000 to £675,000, which becomes the material liability of the organisation.

The pension charge for the year was £39,139 (2021 £37,953),

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

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

	2022		2021	
Value of scheme assets and liabilities		£		£
Fair value of assets		4,073,000		3,892,000
Present value of fund liabilities		(4,748,000)		(4,963,000)
Pension scheme deficit		(675,000)		(1,071,000)
Movements in year				
Service cost	(82,000)		(66,000)	
Interest cost	(22,000)		(27,000)	
		(104,000)		(93,000)
Contributions		43,000		39,000
Actuarial (losses)/gains on assets and liabilities		457,000		183,000
Movements in the year		396,000		129,000
Pension scheme deficit at 1 April				
- WACA	(427,000)		(477,500)	
- CAF	(145,000)		(165,988)	
- CFNF	(220,000)		-	
- CFHEH	(279,000)		(311,512)	
		(1,071,000)		(955,000)
Acquisition of pension fund deficit from CFNF		-		(245,000)
Pension scheme deficit at 31 March		(675,000)		(1,071,000)

19 RELATED PARTIES

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

20 CONTROLLING PARTY

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

21 OPERATING LEASE COMMITMENTS

As at 31 March 2022 the charity had future minimum lease payments under non-cancellable operating leases as follows;

Operating leases which expire:

	Land and buildings		Other	
	2022	2021	2022	2021
Within 1 year	33,981	30,732	19,800	19,800
Between 2 to 5 years	111,490	-	36,300	56,100
	145,471	30,732	56,100	75,900

Within the Statement of Financial Activities are expenses totalling £100,757 relating to operating leases (2021 £103,971)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

22 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net movement in funds	674,763	457,740
Add back depreciation charge	53,974	66,239
Add loss on disposal of fixed assets	(3,780)	8,680
Tangible Fixed Assets acquired from CFNF	-	(59,520)
Pension fund liability acquired from CFNF	-	245,000
Gain/ (Loss) on investments	(6,047)	(23,460)
Deduct interest income shown in investing activities	(95)	(1,486)
Decrease /(Increase) in debtors	(315,887)	112,124
Increase/(decrease) in creditors	48,533	643,072
Movement in pension fund	(396,000)	(129,000)
Decrease in stock	-	-
Net cash used in operating activities	55,459	1,319,389

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2022 (continued)

23 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021
(Including Income and Expenditure Account)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
INCOME					
Donations and legacies	3	404,967	68,693	473,660	39,387
Investment Income		1,420	66	1,486	1,260
Trading Income					
Miscellaneous income		25,264	-	25,264	37,735
Charitable activities					
Grants & contracts	4	1,826,216	766,761	2,592,978	1,832,255
Fare revenue	4	84,595	58	84,653	235,802
Rental income	4	62,477	18,632	81,109	109,441
Other income	4	79,843	17,080	96,922	206,875
			-	-	
TOTAL INCOME		2,484,782	871,290	3,356,072	2,462,755
EXPENDITURE					
Fundraising		-	-	-	-
Charitable activities	7	2,004,364	855,428	2,859,792	2,572,713
Exceptional item:					
Obligation to fund Community First New Forest pension liability expensed	18	245,000	-	245,000	-
TOTAL EXPENDITURE		2,249,364	855,428	3,104,792	2,572,713
Net (losses)/gains on investments	3	23,460	-	23,460	(11,636)
NET INCOME /(EXPENDITURE) BEFORE TRANSFERS		258,878	15,862	274,740	(121,593)
TRANSFERS BETWEEN FUNDS	14,15	6,329	(6,329)	-	-
Actuarial(losses)/gains on defined benefit pension funds	18	183,000	-	183,000	(105,000)
NET INCOME/(EXPENDITURE) FOR THE YEAR		448,207	9,533	457,740	(226,593)
FUND BALANCES BROUGHT FORWARD		(349,797)	192,540	(157,257)	69,336
FUND BALANCES CARRIED FORWARD		98,410	202,073	300,483	(157,257)

COMMUNITIES FIRST WESSEX

England & Wales - Charity number 1147527

Accounts

COMMUNITIES FIRST WESSEX

Company number: 08071971

REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

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

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2021

Charity registration number: 1147527

Company registration number: 8071971

Registered office address
Leigh Park Community Centre
Dunsbury Way
Havant
Hampshire
PO9 5BG

Auditors
Morris Crocker
Station House
North St
Havant
PO9 1QU

Bankers
Lloyds Bank PLC
4 West Street
Havant
PO9 1PE

Directors / Trustees serving during the year

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

Chief Executive Officer
Tim Houghton

TRUSTEES REPORT FOR THE YEAR ENDED 31 MARCH 2021

Chairman's Foreword

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Beverley Jones
Chairman

Management and Governance

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

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

Board of Directors and Senior Management

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

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

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

Recruiting and Supporting Directors

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

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

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

Aims, Objectives, Activities and Achievements

The Charity's objects are:

a) to promote any charitable purposes for the benefit of the public in Hampshire including the advancement of education, the protection of health and the relief of poverty, distress and sickness, and to provide people with the necessary support, information and services to enable them to pursue or contribute to charitable purposes

b) to promote, organise and facilitate co-operation and partnership working between third sector, statutory and other relevant bodies in Hampshire.

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

Our activities and services include;

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

- **Volunteering;** working with individuals and voluntary groups to recruit, place, support and train community volunteers leading to a significant increase in the number and range of people taking up volunteering for the first time and providing opportunities for those needing support to volunteer

- **Health and Wellbeing**; Support to enable commissioners and those working in local authority health & social care, children's services and in the NHS to access and utilise expertise in the voluntary and community sector to deliver better health and wellbeing outcomes for residents including older and vulnerable people and those in crisis.

- **Community hubs;** operating community and sports facilities and advising those managing community buildings

- **Accessible and affordable community transport** in Basingstoke, East Hampshire, Fareham, Gosport, Havant, New Forest, Winchester and surrounding areas. We also provide services helping young people to get to work through our Wheels to Work initiative

- **Mobility**; helping people stay mobile and active in town centres and at significant events

- **Specialist trauma based counselling** supporting those who have suffered sexual abuse, rape and trauma

- **Young people;** Providing advice, guidance and support for young people through our young carers initiative

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

Our specific aims in 2020– 2021 were to:

1. Provide and mobilise support to vulnerable people and to assist organisations providing support during the COVID 19 pandemic

2. Enable VCSE organisations to deliver greater impact and maintain viability, including identifying and supporting funding bids, building partnerships and exploring commissioning with local authorities and NHS partners. We work closely with Clinical Commissioning Groups, NHS bodies and local authorities to help communities build resilience and to reduce reliance on social care and health services.

3. Be the single contracted organisation and continue to lead the CVS network for Hampshire.

4. Provide organisations with one-to-one support and advice on governance, income generation, restructuring, staff development and DBS checks.

5. Deliver quality training helping groups to up-skill, become sustainable and adapt service delivery models to meet funders' requirements. Through training and personal development, we also provide support for those seeking to return to work.

6. Promote and support volunteering by increasing the number of people taking up volunteering for the first time and enabling those in need of additional support, including those with learning disabilities and mental health needs to take up volunteering.

7. Deliver services to local communities and develop new enterprises to expand and develop these;
    a. Community Transport services across East Hampshire, Fareham, Gosport, Havant, Winchester and Basingstoke & Deane and deliver Shopmobility in Chichester, Fareham and Winchester.
    b. Health and Wellbeing services through our social prescribing, Home Help, gardening and voluntary car scheme
    c. Support for community buildings including taking on the management of Clanfield Sports and Community Centre in East Hampshire and manage and invest in Leigh Park Community Centre in Havant
    d. RASAC (START) providing counselling and support for victims of sexual abuse

8. Invest in marketing and communications capacity to better communicate our offer, position us with key partners and decision makers and measure and demonstrate the impact of our intervention and support

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

- Mobilising 1,000 volunteers to continue to support vulnerable pole at risk during the pandemic

- Securing over £540,000 on behalf of VCSE sector, to provide emergency response support through wellbeing workers, and our helpdesk supporting local authorities responding to referrals for assistance with food and medicines.

- Coordinating more than 200 organisations on local response across our 5 districts including 80 new mutual aid groups

- Helping more than 1,400 households including those isolating or with no social or family networks to support them

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

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

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

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

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

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

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

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

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

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

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

Financial Review.

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

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

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

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

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

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

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

Funding

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

Specific and principal funding included;

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

Reserves

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

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

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

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

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

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

Managing Risk

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

Our significant risks

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

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

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

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

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

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

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

Directors' responsibilities

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

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

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

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

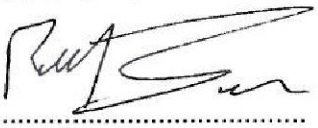
for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

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

Approved by the Board and signed on its behalf by:



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Beverley Jones

Date: 18th March 2022

Chairman of Board of Directors

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

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

Opinion

We have audited the financial statements of Communities First Wessex for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Policies) including FRS102,' The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021, and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard

Opinion on Other Matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

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

Responsibilities of trustees

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

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

Our responsibilities for the audit of the financial statements

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

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

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

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

We set financial statement materiality level based on the level of income. As a not for profit organisation raising income is its primary focus which is why income was used to determine the level of materiality. Our overall assessment of risk was used to determine performance materiality at an appropriate level.
Substantive audit tests were designed after assessing and performing walkthrough tests. The walkthrough testing confirmed documented systems which have been designed to act as a preventative measure against fraud and error which appear to be operating as documented. Substantive testing tested a sample of the population, representative of the population, to identify errors. The testing did not identify any material misstatements in areas tested.

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

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

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

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

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

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

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



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

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

Date: 22 March 2022

COMMUNITIES FIRST WESSEX

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

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

(Including Income and Expenditure Account)

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

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

COMMUNITIES FIRST WESSEX **Company number: 02960439**

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

STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2021

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

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

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

Beverley Jones
Chairperson

Trevor Lewis
Trustee

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2021

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

COMMUNITIES FIRST WESSEX

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

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

1 STATEMENT OF COMPLIANCE

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

2 ACCOUNTING POLICIES

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

(a) **Basis of accounting**

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

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

(b) **Income**

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

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

c) **Expenditure**

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

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

(d) **Tangible Fixed assets**

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

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

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

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

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

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

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

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

(i) **Recognition of liabilities**
A liability arises as soon as there is a legal or constructive obligation committing the charity to the expenditure.

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

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

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

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

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

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

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

(o) **Going Concern**

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

3 NET INCOME/(EXPENDITURE)

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

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

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

4 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

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

Included in Grants above are the following amounts received from:

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

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

5 STAFF COSTS

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

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

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

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

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

	2021	2020
Provision of services	95	89
Management & administration	10	8
	105	97

Key management personnel	2021	2020
	£	£
Remuneration paid to key management personnel during the year (9), 2020(8)	368,371	284,227

6 VOLUNTEERS

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

7 CHARITABLE ACTIVITIES

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

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

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

8 GOVERNANCE COSTS

	2021	2020
	£	£
Legal and professional fees	11,788	5,407
Audit, accountancy and actuarial fees	12,545	11,140
Cost of AGM and incidental trustee meetings	-	5,998
	24,333	22,545

9 TANGIBLE FIXED ASSETS

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

10 INVESTMENTS

	Unlisted investments
	£
Cost or Valuation	
At 1 April 2020	117,825
Additions	-
Revaluation	23,460
At 31 March 2021	141,285

11 STOCKS

	2021	2020
	£	£
Finished goods	-	-

12 DEBTORS

	2021	2020
	£	£
Trade debtors	183,326	266,802
Other debtors	18,883	33,599
Prepayments & accrued income	83,750	97,680
	285,959	398,081

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

13 CREDITORS: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	72,619	40,978
Other taxation and social security	82,634	65,229
Other creditors	40,284	47,864
Accruals & deferred income	733,703	132,097
	929,240	286,168

Deferred income

Deferred income is grants received for future accounting periods

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

14 RESTRICTED FUNDS

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

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

Comparative for funds movement

RESTRICTED FUNDS	At 1 April 2019 £	Incoming resources £	Outgoing resources £	Transfers between funds £	At 31 March 2020 £
Shopmobility Chichester	(13,908)	32,024	(36,515)	-	(18,399)
DART	4,262	-	-	-	4,262
Access Group	2,770	-	-	-	2,770
Youth work	25,568	46,876	(48,130)	-	24,314
RASAC	43,400	117,279	(113,974)	-	46,705
Positive pathways	-	79,501	(79,501)	-	-
Shopmobility Winchester	95,604	56,423	(50,507)	-	101520
Shopmobility Winchester - asset fund	28,626	-	(3,587)	-	25039
Building Better Opportunities ESF	-	20,143	(20,143)	-	-
Art Talk	4,280	1,053	(5,333)	-	-
Woolmer Timebanking	-	2,900	(2,900)	-	-
Park Play	-	32,546	(32,546)	-	-
Surgery linkworker	-	5,597	(5,597)	-	-
CVS Network	-	6,894	(6,894)	-	-
Community Development East Hampshire	-	-	-	6329	6329
Total restricted funds	190,602	401,236	(405,627)	6,329	192,540

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

Wheels to work
Provision of a moped service for young people travelling to work

Youth Work/Winchester Youth Collective
Service based in East Hampshire and Winchester delivering support for young people

SMART (RASAC)
Counselling and help line services for victims of rape and sexual abuse.

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

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

Walking for Health
To promote exercise through organised walks

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

SBS Leader development programme
Mentoring and training for community group leaders

Tea Talk and Tonks/Art talk
A social activity involving petanque/Art therapy group

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

14 RESTRICTED FUNDS (continued)

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

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

Surgery Signposter Linkworker
To facilitate surgery based signposting

CVS Network
A ring fenced partnership fund to promote CVS activities across Hampshire

Community Development East Hampshire
To expand and enhance Community Development in East Hampshire

DART/Access Group
To provide disability awareness raising training and to provide easy access path trails

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

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

15 UNRESTRICTED FUNDS

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

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

15 **Comparative for funds movement**

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

Community First Investment Fund
To support new initiatives and projects

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

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

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

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

18 DEFINED BENEFIT PENSION SCHEME

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19 RELATED PARTIES

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

20 CONTROLLING PARTY

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

21 OPERATING LEASE COMMITMENTS

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

Operating leases which expire:

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

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

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

22 RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

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

23 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2020
(Including Income and Expenditure Account)

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