

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 Tillier	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

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 (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

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Company number: 8071971

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

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

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Company number: 8071971**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025**

	Note	2025	2024
		£	£
Cash (used in)/ provided by operating activities	24	<u>760,296</u>	<u>(434,981)</u>
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		<u>(578,650)</u>	<u>(132,063)</u>
(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		<u><u>1,731,415</u></u>	<u><u>1,549,768</u></u>

COMMUNITIES FIRST WESSEX

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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 with Gosport 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
	<u>1,756,941</u>	<u>1,302,036</u>	<u>349,622</u>	<u>3,408,598</u>	<u>3,549,810</u>

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
	<u>1,333,919</u>	<u>1,673,237</u>

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
	<u>2,242,918</u>	<u>2,239,745</u>

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
	<u>117</u>	<u>115</u>

Key management personnel

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

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
	<u>1,399,929</u>	<u>1,223,675</u>	<u>337,612</u>	<u>2,961,216</u>	<u>2,934,511</u>
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
	<u>320,168</u>	<u>261,676</u>	<u>199,905</u>	<u>781,750</u>	<u>766,190</u>
	<u>1,720,097</u>	<u>1,485,351</u>	<u>537,517</u>	<u>3,742,966</u>	<u>3,700,701</u>

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
						<u>26,864</u>	<u>18,464</u>
9	TANGIBLE FIXED ASSETS						
	Cost						
	At 1 April 2024						
	Additions						
	Disposals						
	At 31 March 2025						
	Depreciation						
	At 1 April 2024						
	Charge for the year						
	Eliminated on disposal						
	At 31 March 2025						
	Net book value						
	At 31 March 2025						
	At 1 April 2024						
10	INVESTMENTS						
	Cost or Valuation						
	At 1 April 2024						
	Additions						
	Revaluation						
	At 31 March 2025						
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
						<u>343,377</u>	<u>310,883</u>

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
		<u>507,787</u>	<u>423,479</u>

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	<u>309,564</u>	<u>219,348</u>

14	RESTRICTED FUNDS	At	Incoming	Outgoing	Transfers	At
		1 April 2024	resources	resources	between	31 March 2025
		£	£	£	funds	£
					£	
	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	<u>457,914</u>	<u>1,008,714</u>	<u>(1,077,633)</u>	<u>-</u>	<u>388,995</u>

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

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 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

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)**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	-
	<u>73,544</u>	<u>101,432</u>	<u>232,548</u>	<u>101,760</u>

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	<u>760,296</u>	<u>(434,981)</u>

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
<i>Charitable activities</i>					
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
<i>Exceptional item:</i>					
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.