

Company registration number: 02118349

Charity registration number: 519405

Rural Community Action Nottinghamshire

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Community Accounting Plus
Units 1 & 2 North West
41 Talbot Street
Nottingham
NG1 5GL

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(A company limited by guarantee)
Annual Report and Financial Statements
for the Year ended 31 March 2021

Community Accounting Plus
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Rural Community Action Nottinghamshire

Reference and Administrative Details

Trustees	Ivan Annibal, Chair
	Adam Whitchurch, Vice Chair
	Cllr James Naish
	Simon Patrick Tipping
	Cllr Seamus Martin Creamer
	Paul Peacock
Secretary	Hazel Brand
	Alexandra Raynor
Senior Management Team	Alexandra Raynor, Director
	Jennifer Kirkwood, Director
Principal Office	Arnot Hill House
	Arnot Hill Park
	Arnold
	Nottingham
	NG5 6LU
Company Registration Number	02118349
Charity Registration Number	519405
Bankers	Natwest Bank Plc
	Newark
	1 Market Place
	Newark
	Nottinghamshire
Independent Examiner	NG24 1DY
	John O'Brien, employee of
	Community Accounting Plus
	Units 1 & 2 North West
	41 Talbot Street
	Nottingham
	NG1 5GL

Rural Community Action Nottinghamshire

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

Trustees

Ivan Annibal, Chair

Adam Whitchurch, Vice Chair

Cllr James Naish

Simon Patrick Tipping

Cllr Seamus Martin Creamer

Paul Peacock

Hazel Brand

Maria Willis (resigned 15 October 2020)

Charles Baker (resigned 15 October 2020)

Structure, governance and management

Nature of governing document

The charity is a company limited by guarantee and registered charity. It is operated under the rules of its memorandum and articles of association dated 1 April 1987 and most recently amended by the certificate of incorporation on change of name dated 15 November 2007. It has no share capital and the liability of each member in the event of winding-up is limited to £1.

Recruitment and appointment of trustees

As vacancies arise, the Board consider on a skills basis the experience and skills needed to fulfill a fully strategic and committed Board. Vacancies are then advertised via networks or individuals approached from current partnerships. Interested parties then apply for the position and these are discussed by the Board before they are agreed and/or rejected.

There is currently a process for appointing district authority representatives on an annual basis. District representatives are proposed by the relevant authority and the Board then consider the proposed member at the Executive Board meeting at the nearest meeting following the recommendation being made.

Objectives and activities

Objects and aims

"The Organisation is established to promote any charitable purposes for the benefit of the community in the County of the local government district of Nottinghamshire" as per the Memorandum and Articles of Association.

RCANs core Mission/Vision is to achieve thriving and sustainable rural communities. Further aims utilised to fulfil this Mission are outlined in an annual Strategic Plan under the following priority areas:

1. Promote Economic Inclusion and Development across Rural Nottinghamshire;
2. Address issues of inequality, social exclusion and vulnerability faced by people in rural communities;
3. Support active community engagement, volunteering and social action.

These priorities guide the organisation's activity both operationally in the short term and strategically towards a longer term plan, allowing RCAN to fulfil its charitable aims and crystallise its core offer to the communities we serve.

Rural Community Action Nottinghamshire

Trustees' Report

Objectives, strategies and activities

RCAN's main activities as set out by our Business Plan 2020-21 were as follows:

1. The development of an extension to our Town and Parish Council support through additional sold services and membership affiliation.
2. Deliver the outcomes and objectives as cited in our existing district Service Level Agreements. Whilst outcomes were met for this year, the COVID pandemic halted some planned delivery as we diverted support to COVID related emerging needs.
3. Community Consultation and Promotion - Reduced funding via district based core service funding impacted RCAN's visibility and capacity in some areas. A refresh of a 'paid for' membership affiliation was launched at the start of the year to attract additional opportunity. This was impacted by the onset of the global COVID pandemic. Whilst momentum to engage with membership dropped due to COVID restrictions and the pressures placed on communities, COVID support grew as we continued to support our communities with support and safe operational advice in line with government guidance.
4. Village Halls support service - This grew rapidly as community buildings utilised our support and guidance to respond to the ever changing COVID governmental guidance governing activity and small business and community groups operating from our Village Halls and Community Buildings.
5. Wheels to Work - The demand for this service continued to outweigh the capacity for this service. Unfortunately longer term capital investment from funders did not make this project viable in the longer term despite a surge of referrals from individuals requiring transport solutions to enable access to work.
6. Travelling Together - RCAN has managed a support service for Gypsy and Travellers across Nottinghamshire for 15 years. The funding for this work had significantly decreased in recent years as commission priorities altered. RCAN continued to protect a reduced input for specific pieces of support work and advice. The need for this service is evident and we work hard to secure larger funding commitments to effectively support the capacity needed to deliver a wider and more effective service.
7. Bulk Oil - We promoted and administered a Bulk Oil Buying project which continued to save our customers money by negotiating 'best price' levels through group ordering.
8. Management oversight of a Country Park, facilitating meaningful volunteering and local level support through local community groups and organisations.

Public benefit

Communities feel more confident, informed and better resourced and to support social action for themselves by igniting or sustaining existing activity.

Community Buildings are connected to a professional and informed service and able to access both local and National best practice and individual advice for sustainability on a variety of levels.

Hard to reach or marginalised groups are better able to access services and support. Jobseekers furthest from the labour market due to travel barriers gain independence and the resources needed to access and maintain employment.

Accessibility to affordable fuel resources available to facilitate choice and cost effective purchase across communities / individuals who are 'off gas'.

Provision of green space and community accessible Country Park.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Rural Community Action Nottinghamshire

Trustees' Report

Achievements and performance

We gave funding advice, access to professional services support and general governance and advocacy to 126 village halls and community buildings. There was a particular emphasis this year on Covid support and resilience. Responses to emerging needs due to the pandemic were key elements to our support over this year.

- Hall Talk, the quarterly newsletter produced to benefit village halls and community buildings, Town and Parish Councils and Community Groups and is distributed across our networks. Additional press was circulated in line with changing guidance and to support emerging needs and key issues facing our communities as we moved through the developments of the pandemic.

- Local community groups received support to secure £190,000 for their local projects and services. In early 2020 this funding was primarily associated with the Retail and Hospitality Grant for the impact that Covid was having on provision. Towards the end of the financial year, the funding varied between the usual group activity and that of Covid Recovery.

- 89 local groups received targeted support from the Supporting Communities Team.

- Wheels to Work beneficiaries were supported access to travel advice including 13 beneficiaries received subsidised moped loans and supported to buy transport solutions.

- With our olive buying partner 'Olive', we ordered 113,860 litres of oil achieving an average saving of over 4 pence per litre for our 113 customers.

- 256 Rushcliffe Parish Council delegates participated in 3 virtual forum meetings tailored to the issues that Parish Councillors had identified. We made the transition to an online forum via Zoom to ensure that the communication and engagement remained in a time where face to face activity wasn't possible.

- A fishing lake continued to be leased and managed by CAST. This is a well used provision by local anglers with volunteer bailiffs maintaining regular oversight of the site.

- Volunteer wardens via the Friends of Newstead and Annesley Country Park regularly attend the site, formally update on risk and maintenance issues. They oversee and commit to an annual 'work plan' which furthers the aims and objectives for this open space to be retained as a popular Country Park.

- The group "Friends of Newstead and Annesley Country Park" continues to support the park through the volunteering of their time to support the development of the site. The number of informal volunteers has grown to over 100 with local community members committing on a regular basis to low levels aspects of site management and conservation.

- We administered grants via The Wind Turbine Community Fund to Newstead Parish Council and Annesley and Felly Parish Council and The Friends of Newstead and Annesley Country Park. These have been utilised to contribute and support local projects for the benefit of locality, park and village residents.

- Safeguarding and policy work - In conjunction with ACRE via our National affiliation, to promote the importance of Safeguarding and 'fit for purpose' procedures within our local communities, particularly in relation to community buildings. Baselines surveys undertaken to evidence need and resources developed and circulated to support practice. Promotion of a National Safeguarding week in line with the development work above.

Financial review

Prudent financial management has been key for this year alongside the need to respond swiftly to changes in funding, as grant based monies were diverted to support the COVID crisis. The pandemic has also impacted on our finances and ability to forward plan as accurately as in recent year specifically against earned income targets. This is wholly due to uncertainty of the pandemic and reticence for communities to commit to larger expenditure plans. The surplus this year had been realised by our rapid response to a changing climate and our ability to adapt delivery to the emerging needs and changing funding priorities.

Policy on reserves

RCAN's Reserves Policy stipulated a two months' operating expenditure should be retained in free reserves. Our 31st March 2021 position meets this target and assumes no issues with liquidity as a result.

Rural Community Action Nottinghamshire

Trustees' Report

Principal risks and uncertainties

Financial risks

The funding climate is ever changing. Grants continue to be diverted to Covid related activity and our delivery is therefore open to the market pressures as a result. As we move into Covid recovery and begin to further develop our commissioned work, we are yet to see the impact of prolonged restrictions and lockdown periods.

We are fortunate to have retained a healthy Reserves balance which has allowed us to focus on and adapt key service delivery with some degree of security. Moving out of the pandemic, we are keen to plan strategic reinvestment to strengthen our capacity and ability to respond to need swiftly and effectively.

Key risks include the inability to sustain rapid response to emerging needs and a loss of capacity to extend our reach across the wider County.

Utilising some periods of flexible furlough allowed us to retain precious capacity and build a resilience which we are confident has supported our offer for the coming two year projection.

Statement of Trustees' Responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 13.10.21 and signed on its behalf by:



Ivan Annibal
Trustee

Rural Community Action Nottinghamshire

Independent Examiner's Report to the trustees of Rural Community Action Nottinghamshire

Independent examiner's report to the trustees of Rural Community Action Nottinghamshire ('the Company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

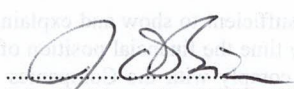
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.


John O'Brien MSc, FCCA, FCIE, employee of Community Accounting Plus
Fellow of the Association of Charity Independent Examiners

Units 1 & 2 North West
41 Talbot Street
Nottingham
NG1 5GL

Date: 10/11/21

Rural Community Action Nottinghamshire

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Pension reserve fund £	Total 2021 £	Total 2020 £
Income and Endowments from:						
Donations and legacies	2	118,023	-	-	118,023	775
Charitable activities	3	32,794	16,666	-	49,460	176,429
Investment income	5	48	-	-	48	271
Total income		<u>150,865</u>	<u>16,666</u>	<u>-</u>	<u>167,531</u>	<u>177,475</u>
Expenditure on:						
Charitable activities	6	<u>(162,762)</u>	<u>(6,749)</u>	<u>(67,000)</u>	<u>(236,511)</u>	<u>(276,138)</u>
Total expenditure		<u>(162,762)</u>	<u>(6,749)</u>	<u>(67,000)</u>	<u>(236,511)</u>	<u>(276,138)</u>
Net (expenditure)/income		(11,897)	9,917	(67,000)	(68,980)	(98,663)
Transfers between funds		1,370	(1,370)	-	-	-
Other recognised gains and losses						
Actuarial gains/ (losses) on defined benefit pension schemes		<u>-</u>	<u>-</u>	<u>(752,000)</u>	<u>(752,000)</u>	<u>(47,000)</u>
Net movement in funds		(10,527)	8,547	(819,000)	(820,980)	(145,663)
Reconciliation of funds						
Total funds brought forward		<u>318,546</u>	<u>311,312</u>	<u>(1,454,000)</u>	<u>(824,142)</u>	<u>(678,479)</u>
Total funds carried forward	20	<u>308,019</u>	<u>319,859</u>	<u>(2,273,000)</u>	<u>(1,645,122)</u>	<u>(824,142)</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for the period is shown in note 20.

Rural Community Action Nottinghamshire

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

These are the figures for the previous accounting period and are included for comparative purposes

	Note	Unrestricted funds £	Restricted funds £	Pension reserve fund £	Total 2020 £
Income and Endowments from:					
Donations and legacies	2	775	-	-	775
Charitable activities	3	115,876	60,553	-	176,429
Investment income	5	271	-	-	271
Total income		<u>116,922</u>	<u>60,553</u>	<u>-</u>	<u>177,475</u>
Expenditure on:					
Charitable activities	6	<u>(169,017)</u>	<u>(49,121)</u>	<u>(58,000)</u>	<u>(276,138)</u>
Total expenditure		<u>(169,017)</u>	<u>(49,121)</u>	<u>(58,000)</u>	<u>(276,138)</u>
Net (expenditure)/income		(52,095)	11,432	(58,000)	(98,663)
Other recognised gains and losses					
Actuarial gains/ (losses) on defined benefit pension schemes		-	-	(47,000)	(47,000)
Net movement in funds		(52,095)	11,432	(105,000)	(145,663)
Reconciliation of funds					
Total funds brought forward		<u>370,641</u>	<u>299,880</u>	<u>(1,349,000)</u>	<u>(678,479)</u>
Total funds carried forward	20	<u>318,546</u>	<u>311,312</u>	<u>(1,454,000)</u>	<u>(824,142)</u>

Rural Community Action Nottinghamshire

(Registration number: 02118349)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	290,000	290,029
Investments	13	190,000	190,000
		<u>480,000</u>	<u>480,029</u>
Current assets			
Debtors	14	23,491	61,042
Cash at bank and in hand	15	137,361	126,670
		160,852	187,712
Creditors: Amounts falling due within one year	16	<u>(12,974)</u>	<u>(37,883)</u>
Net current assets		<u>147,878</u>	<u>149,829</u>
Net assets excluding pension liability		627,878	629,858
Pension scheme liability	19	<u>(2,273,000)</u>	<u>(1,454,000)</u>
Net liabilities including pension liability		<u>(1,645,122)</u>	<u>(824,142)</u>
Funds of the charity:			
Pension reserve fund		(2,273,000)	(1,454,000)
Restricted income funds			
Restricted funds	20	319,859	311,312
Unrestricted income funds			
Unrestricted funds		<u>308,019</u>	<u>318,546</u>
Total funds	20	<u>(1,645,122)</u>	<u>(824,142)</u>

For the financial year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 7 to 24 were approved by the trustees, and authorised for issue on 13.10.21 and signed on their behalf by:

Adam Whitchurch
Trustee

Rural Community Action Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Rural Community Action Nottinghamshire 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 notes.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Exemption from preparing a cash flow statement

The charity opted to adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Rural Community Action Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2021

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises 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.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £150.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Motor vehicles	25% straight line
Fixtures & fittings	20% straight line
Computer equipment	33% straight line
The cost of freehold land included in the balance sheet but not depreciated is £290,000.	

Rural Community Action Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2021

Investment properties

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted income funds are those grants for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined benefit pension scheme. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the reporting date minus the fair value of plan assets. The defined benefit obligation is measured using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future payments by reference to market yields at the reporting date on high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses are charged or credited to other comprehensive income in the period in which they arise.

Rural Community Action Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2021

2 Income from donations and legacies

	Unrestricted funds	Total 2021 £	Total 2020 £
	General £		
Donations and legacies;			
Donations from companies, trusts and similar proceeds	10,129	10,129	775
Grants, including capital grants;			
Government grants	64,129	64,129	-
Grants from other charities	43,765	43,765	-
	<u>118,023</u>	<u>118,023</u>	<u>775</u>

3 Income from charitable activities

	Unrestricted funds	Restricted funds	Total 2021 £	Total 2020 £
	General £	£		
Bike rental	-	1,666	1,666	-
Contracts	-	15,000	15,000	-
Membership fees	5,778	-	5,778	-
Sales	3,183	-	3,183	-
Wind Turbine income	22,395	-	22,395	-
Sundry income	1,438	-	1,438	-
Core	-	-	-	115,876
Safer, Stronger Greener Communities	-	-	-	34,046
Transport and Access	-	-	-	26,507
	<u>32,794</u>	<u>16,666</u>	<u>49,460</u>	<u>176,429</u>

Rural Community Action Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2021

4 Grants & donations

	Unrestricted funds £	Restricted funds £	Total £
Action with Communities in Rural England	42,080	-	42,080
LIS - Nottinghamshire Together	3,104	-	3,104
Bassetlaw District Council	10,000	-	10,000
Nottinghamshire Association of Village and Community Halls	1,685	-	1,685
Nottinghamshire County Council	18,000	-	18,000
Say Now	4,000	-	4,000
Rushcliffe Borough Council	18,500	-	18,500
Gedling Borough Council	10,000	-	10,000
VCS Emergencies Partnership	3,000	-	3,000
HMRC JRS	7,629	-	7,629
Sundry donations	25	-	25
	<u>118,023</u>	<u>-</u>	<u>118,023</u>

5 Investment income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Interest receivable and similar income;			
Interest receivable on bank deposits	48	48	271

Rural Community Action Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2021

6 Expenditure on charitable activities

	Unrestricted General funds £	Restricted funds £	Pension reserve fund £	Total 2021 £	Total 2020 £
Staff costs	115,847	-	-	115,847	165,540
FRS102 Recognised pension costs	-	-	67,000	67,000	35,000
Legal & professional fees	11,467	-	-	11,467	10,571
Travel & subsistence	25	-	-	25	1,657
Motor expenses	-	6,749	-	6,749	15,546
Rent, rates, insurance & services	10,505	-	-	10,505	9,338
IT support & maintenance	2,793	-	-	2,793	5,862
Grants given	7,500	-	-	7,500	11,298
Depreciation	29	-	-	29	833
Bank charges	357	-	-	357	-
External room hire & storage fees	1,264	-	-	1,264	-
Office & general expenses	751	-	-	751	11,253
Telephone	2,949	-	-	2,949	-
Printing, postage & stationery	2,236	-	-	2,236	-
Publications & subscriptions	5,792	-	-	5,792	-
Publicity & promotional	901	-	-	901	-
Sundry expenses	346	-	-	346	-
Project management & support	-	-	-	-	8,440
Donations	-	-	-	-	800
	<u>162,762</u>	<u>6,749</u>	<u>67,000</u>	<u>236,511</u>	<u>276,138</u>

Rural Community Action Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2021

7 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2021 £	2020 £
Depreciation of fixed assets	29	833

8 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

9 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner are analysed as follows:

	2021 £	2020 £
Independent examination	1,000	1,350
Other financial services	1,245	1,600
	<u>2,245</u>	<u>2,950</u>

10 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	87,364	87,479
Social security costs	3,994	6,511
Pension costs	24,489	16,744
Compensation payments	-	1,806
FRS102 pension service & interest costs	67,000	88,000
	<u>182,847</u>	<u>200,540</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2021 No	2020 No
Average number of employees	<u>5</u>	<u>6</u>

4 (2020 - 4) of the above employees participated in the Defined Benefit Pension Schemes.

Rural Community Action Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2021

Contributions to the employee pension schemes for the year totalled £24,489 (2020 - £16,744).

During the year, the charity made redundancy and/or termination payments which totalled £Nil (2020 - £1,806).

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £89,822 (2020 - £88,941).

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

12 Tangible fixed assets

	Land & buildings £	Fixtures & fittings £	Motor vehicles £	Computer equipment £	Total £
Cost					
At 1 April 2020	290,000	3,930	14,568	10,905	319,403
At 31 March 2021	290,000	3,930	14,568	10,905	319,403
Depreciation					
At 1 April 2020	-	3,930	14,568	10,876	29,374
Charge for the year	-	-	-	29	29
At 31 March 2021	-	3,930	14,568	10,905	29,403
Net book value					
At 31 March 2021	290,000	-	-	-	290,000
At 31 March 2020	290,000	-	-	29	290,029

Included within the net book value of land and buildings above is £290,000 (2020 - £290,000) in respect of freehold land which is not depreciated, and £Nil (2020 - £Nil) in respect of leaseholds.

The acquisition of the freehold land was funded by a grant. The conditions of the grant impose restrictions on the use of the land. There are also restrictions on the free sale or mortgage of the land.

Rural Community Action Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2021

13 Fixed asset investments

	2021 £	2020 £
Investment properties	190,000	190,000

Investment properties

	Investment properties £
Cost or Valuation	
At 1 April 2020	190,000
Provision	
At 31 March 2021	-
Net book value	
At 31 March 2021	190,000
At 31 March 2020	190,000

The property was valued in 2018 by W A Barnes LLP, Chartered Surveyors, on an open market value for existing use basis.

The value of the land leased out to tenants is separately identifiable from the building and can be measured reliably, therefore this has been classed as investment property.

14 Debtors

	2021 £	2020 £
Trade debtors	6,648	22,492
Prepayments	6,423	13,078
Other debtors	10,420	25,472
	23,491	61,042

Debtors includes £Nil (2020: £11,579) receivable after more than one year.

Other debtors - The concessionary loan was granted by the company following the cessation of the CAST project in September 2016. A separate interest company, independent of RCAN, was formed to manage the project going forwards. The loan is interest free and repayable over 60 instalments which took effect on 31 January 2017. Security has been given on the debt by the community interest company in the form of a debenture which carries a fixed and floating charge over specific assets.

Rural Community Action Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2021

15 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	404	404
Cash at bank	136,957	126,266
	<u>137,361</u>	<u>126,670</u>

16 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	5,807	4,393
Other taxation and social security	2,947	2,569
Other creditors	428	528
Accruals	3,792	6,208
Deferred income	-	24,185
	<u>12,974</u>	<u>37,883</u>

17 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Arnot Hill House		
Within one year	2,865	6,875
Between one and five years	-	2,865
	<u>2,865</u>	<u>9,740</u>
Printer/photocopier		
Within one year	1,608	-
Between one and five years	6,044	-
	<u>7,652</u>	<u>-</u>

18 Charity status

The charity is a company limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

Rural Community Action Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2021

19 Pension and other schemes

Defined benefit pension schemes

Nottinghamshire County Council Pension Fund

The charity participates in the Nottinghamshire County Council Pension Fund, a multi-employer defined benefit final salary scheme. The scheme is administered for the benefit of Local Authority employees and other bodies and is managed in accordance with the Local Government Pension Scheme Regulations 2013. The administering authority for the Fund is Nottinghamshire County Council.

Contributions to the scheme are determined with advice of independent qualified actuaries on the basis of triennial valuations using the projected unit method.

The date of the most recent comprehensive actuarial valuation was 31 March 2019. In accordance with Financial Reporting Standard 102 (FRS 102), the actuaries have undertaken a valuation of the assets and liabilities of the scheme at 31 March 2021. Pension scheme assets are measured using market values. Pension scheme liabilities are measured using a projected unit method. The "present value of scheme liabilities" has been arrived at by projecting the results of the last full valuation as at 31 March 2019 forward to 31 March 2021.

The total cost relating to defined benefit schemes for the year recognised in profit or loss as an expense was 67,000 (2020 - £88,000).

The total cost relating to defined benefit schemes for the year included in the cost of an asset was - (2020 - £-).

Reconciliation of scheme assets and liabilities to assets and liabilities recognised

The amounts recognised in the statement of financial position are as follows:

	2021 £	2020 £
Fair value of scheme assets	2,903,000	1,968,000
Present value of defined benefit obligation	(5,176,000)	(3,422,000)
Defined benefit pension scheme deficit	(2,273,000)	(1,454,000)

Defined benefit obligation

Changes in the defined benefit obligation are as follows:

	2021 £
Present value at start of year	3,422,000
Current service cost	32,000
Interest cost	86,000
Actuarial gains and losses	1,200,000
Benefits paid	430,000
Contributions by scheme participants	6,000
Present value at end of year	5,176,000

Rural Community Action Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2021

Fair value of scheme assets

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

	2021 £
Fair value at start of year	1,968,000
Interest income	52,000
Return on plan assets, excluding amounts included in interest income/(expense)	424,000
Employer contributions	24,000
Contributions by scheme participants	6,000
Benefits paid	430,000
Administration expenses	(1,000)
Fair value at end of year	<u>2,903,000</u>

Analysis of assets

The major categories of scheme assets are as follows:

	2021 £	2020 £
Cash and cash equivalents	155,000	48,000
Equity instruments	1,850,000	1,258,000
Debt instruments	103,000	65,000
Property	308,000	250,000
Other bonds	217,000	171,000
Inflation - linked pooled fund and infrastructure	270,000	176,000
	<u>2,903,000</u>	<u>1,968,000</u>

Return on scheme assets

	2021 £	2020 £
Return on scheme assets	<u>476,000</u>	<u>(183,000)</u>

The pension scheme has not invested in any of the charity's own financial instruments or in properties or other assets used by the charity.

Principal actuarial assumptions

The principal actuarial assumptions at the statement of financial position date are as follows:

	2021 %	2020 %
Discount rate	2.00	2.35
Future salary increases	3.85	2.85
Future pension increases	<u>2.85</u>	<u>1.85</u>

Rural Community Action Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2021

Post retirement mortality assumptions

	2021 Years	2020 Years
Current UK pensioners at retirement age - male	22.00	22.00
Current UK pensioners at retirement age - female	25.00	24.00
Future UK pensioners at retirement age - male	23.00	23.00
Future UK pensioners at retirement age - female	<u>26.00</u>	<u>26.00</u>

20 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 March 2021 £
Unrestricted funds						
General						
General fund	317,291	150,865	(162,762)	2,625	-	308,019
Designated						
Designated fund	<u>1,255</u>	<u>-</u>	<u>-</u>	<u>(1,255)</u>	<u>-</u>	<u>-</u>
Total Unrestricted funds	<u>318,546</u>	<u>150,865</u>	<u>(162,762)</u>	<u>1,370</u>	<u>-</u>	<u>308,019</u>
Restricted funds						
Safer, Stronger, Greener Communities	8,383	-	-	(8,383)	-	-
Land Fund	290,000	-	-	-	-	290,000
Wheels to Work	11,559	16,666	(6,749)	8,383	-	29,859
Healthier Communities	<u>1,370</u>	<u>-</u>	<u>-</u>	<u>(1,370)</u>	<u>-</u>	<u>-</u>
Total restricted funds	<u>311,312</u>	<u>16,666</u>	<u>(6,749)</u>	<u>(1,370)</u>	<u>-</u>	<u>319,859</u>
Other funds						
Pension reserve fund	(1,454,000)	-	(67,000)	-	(752,000)	(2,273,000)
	<u>(1,454,000)</u>	<u>-</u>	<u>(67,000)</u>	<u>-</u>	<u>(752,000)</u>	<u>(2,273,000)</u>
Total funds	<u>(824,142)</u>	<u>167,531</u>	<u>(236,511)</u>	<u>-</u>	<u>(752,000)</u>	<u>(1,645,122)</u>

The specific purposes for which the funds are to be applied are as follows:

Wheels to Work - project that aims to support people with an affordable moped loan to provide an accessible solution to employment or training. Overcoming transport barriers to work or training, a tailored moped loan package will be offered to those with the greatest need focusing on independent travel and sustainable employment.

Land Fund - the net book value of the freehold Newstead Country Park land. The acquisition of the land was funded by a grant. The conditions of the grant impose restrictions on the use of the land. There are also restrictions on the free sale or mortgage of the land.

The transfer from the Designated fund and Healthier Communities fund to the General fund relates to activities which have ceased, and the release of any restrictions on the use of these funds.

The transfer from the Safer, Stronger, Greener Communities to the Wheels to Work fund relates to activities which have ceased and a transfer of remaining funds to Wheels to Work project.

Rural Community Action Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2021

These are the figures for the previous accounting period and are included for comparative purposes:

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 March 2020 £
Unrestricted funds					
<i>General</i>					
General fund	369,386	116,922	(169,017)	-	317,291
<i>Designated</i>					
Designated fund	1,255	-	-	-	1,255
Total unrestricted funds	<u>370,641</u>	<u>116,922</u>	<u>(169,017)</u>	<u>-</u>	<u>318,546</u>
Restricted funds					
Safer, Stronger, Greener Communities	7,345	34,046	(33,008)	-	8,383
Land Fund	290,000	-	-	-	290,000
Wheels to Work	1,165	26,507	(16,113)	-	11,559
Healthier Communities	1,370	-	-	-	1,370
Total restricted funds	<u>299,880</u>	<u>60,553</u>	<u>(49,121)</u>	<u>-</u>	<u>311,312</u>
Other funds					
Pension reserve fund	(1,349,000)	-	(58,000)	(47,000)	(1,454,000)
	<u>(1,349,000)</u>	<u>-</u>	<u>(58,000)</u>	<u>(47,000)</u>	<u>(1,454,000)</u>
Total funds	<u>(678,479)</u>	<u>177,475</u>	<u>(276,138)</u>	<u>(47,000)</u>	<u>(824,142)</u>

Rural Community Action Nottinghamshire

Notes to the Financial Statements for the Year Ended 31 March 2021

21 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Pension reserve fund	2021 Total funds
	General £	£	£	£
Tangible fixed assets	-	290,000	-	290,000
Fixed asset investments	190,000	-	-	190,000
Current assets	130,993	29,859	-	160,852
Current liabilities	(12,974)	-	-	(12,974)
Pension scheme liability	-	-	(2,273,000)	(2,273,000)
Total net assets	308,019	319,859	(2,273,000)	(1,645,122)

	Unrestricted funds	Restricted funds	Pension reserve fund	2020 Total funds
	General £	£	£	£
Tangible fixed assets	29	290,000	-	290,029
Fixed asset investments	190,000	-	-	190,000
Current assets	166,400	21,312	-	187,712
Current liabilities	(37,883)	-	-	(37,883)
Pension scheme liability	-	-	(1,454,000)	(1,454,000)
Total net assets	318,546	311,312	(1,454,000)	(824,142)

22 Related party transactions

There were no related party transactions in the year.