

Sussex Rural Community Council Report of the Trustees for the year ended 31 March 2009

Contents

Page:		
	1-10	Trustees' report
	11	Report of the independent auditors
	12	Statement of financial activities
	13	Balance sheet
	14-20	Notes to the financial statements

Reference and administrative details

Secretary and Registered office: N J Simpson, Sussex House, 212 High Street, Lewes, East Sussex BN7 2NH

Company No: 2907172

Charity No: 1035401

Auditors: Russell New Limited, The Courtyard, Shoreham Road, Upper Beeding, Steyning, West Sussex, BN44 3TN

Bankers: Barclays Bank plc, The Old Bank, High Street, Lewes, East Sussex , BN7 2JP

Solicitors: Beverley Ogden & Company Solicitors, 11-13 High Street, Lewes, East Sussex, BN7 2LN

Directors at 9 September 2009:

- B Dashwood-Hall (Honorary Treasurer)
- R A S Farhall
- K M Field (Chair)
- R T H Jackson
- J P M Lytton (Vice Chair, West Sussex)
- R R Molony
- N M Pearson
- D W Robins
- W F de Salis (Vice Chair, East Sussex)
- P J Shanahan
- J A Slaughter
- A K Stewart-Roberts
- M C Stroude

Sussex Rural Community Council

Report of the Trustees for the year ended 31 March 2009 (continued)

1. Introduction

The Trustees, who are the directors of the charitable company, present their report together with the audited financial statements for the year ended 31 March 2009 (pages 12-20). This report should be read in conjunction with the information on the preceding page. The statement of financial activities is set out on page 12 and shows the result for the year.

2. Charitable objects

The charity's objects are to promote any charitable purposes for the benefit of the community of the counties of East and West Sussex and, in particular, the advancement of education, the protection of health and relief of poverty, distress and sickness, and to promote and organise co-operation in the achievement of the same and to that end to bring together council representatives of the statutory authorities, voluntary organisations and other bodies and any persons pursuing the above objectives within the area of benefit.

We set out our strategic aims and activities in more detail later in this report.

3. Structure, governance and management

Legal and administrative details

Sussex Rural Community Council (SRCC) is a company limited by guarantee and a registered charity. The governing body is the Board of Trustees. The governing document is the Memorandum and Articles of Association.

Operating name

The Sussex Rural Community Council has operated during the year under the title "Action in rural Sussex"

Trustees

The Trustees are elected by the members of the charity at the Annual General Meeting, and may serve a maximum of three terms of three years. Vacancies not filled at the Annual General Meeting are filled by co-option on the initiative of the Trustees.

New Trustees receive an induction pack and an induction meeting to brief them on their legal obligations under charity and company law, the committee and decision-making processes, the business plan and the recent financial performance of the charity. During the induction meeting, they will meet key employees. Trustees are encouraged to attend appropriate training where this will facilitate the undertaking of their role, and also to attend Trustee and Staff Awaydays and an annual Business Planning day.

The Articles of Association allow for no fewer than eight and no more than ten Trustees to be nominated from local organisations, voluntary groups and individual members, and seven Trustees to be nominated by the major statutory and countywide members.

The trustees of the company during the year were:

B Dashwood-Hall (Honorary Treasurer)
 R A S Farhall
 K M Field (Chair)
 S James (Vice Chair, East Sussex) (resigned 7 Nov 08)
 R T H Jackson
 J P M Lytton (Vice Chair, West Sussex)
 R R Molony
 R J Paterson (appointed 3 Dec 08)
 N M Pearson
 G Peters (appointed 3 Dec 08)
 D W Robins
 W F de Salis (Vice Chair, East Sussex from 7 Nov 08)
 P J Shanahan
 J A Slaughter
 J F Stevens (resigned 23 Jul 08)
 A K Stewart-Roberts
 M C Stroude
 F Wilkinson (resigned 7 Nov 08)

Sussex Rural Community Council
Report of the Trustees for the year ended 31 March 2009 (continued)

Presidency

Joint Presidents:

Mrs Phyllida Stewart-Roberts OBE – Lord Lieutenant of East Sussex (until Aug 08)
Peter J Field – Lord Lieutenant of East Sussex (from Aug 08)
Hugh R Wyatt – Lord Lieutenant of West Sussex (until Nov 08)
Mrs Susan Pyper – Lord Lieutenant of West Sussex (from Nov 08)

Subsidiary Company

Action in rural Sussex owns the two shares in SRCC (Trading) Limited. The Directors of SRCC (Trading) Limited during the year were:

B Dashwood-Hall	G Peters (appointed 3 Dec 08)
R A S Farhall	D W Robins
K M Field	W F de Salis
A A W Grubb	P J Shanahan
S James (resigned 7 Nov 08)	J A Slaughter
R T H Jackson	J F Stevens (resigned 23 Jul 08)
J P M Lytton	A K Stewart-Roberts
R R Molony	M C Stroude
R J Paterson (appointed 3 Dec 08)	
N M Pearson	

Company Secretary: Jeremy Leggett

SRCC (Trading) Limited has not traded during the year.

Senior Management

Chief Executive	Jeremy Leggett
Head of Finance	Anne Mari Barker-Davies/Jody Sharp
Head of Community and Social Development	Pat Buesnel
Director, Policy and Communications	Teresa Gittins
Director, Local Councils and Local Governance	Trevor Leggo

Finance Committee

The following responsibilities are delegated to the Committee which reports its actions to the main Board:

“The Committee will advise the Board and Senior Management Team on matters relating to financial management.”

Membership during 2008/2009:

B Dashwood-Hall (Honorary Treasurer)
S James (resigned 7 Nov 08)
K M Field
N M Pearson
P J Shanahan
J F Stevens (resigned 23 Jul 08)

Internal Audit and Risk Committee

The following responsibilities are delegated to the Committee which reports its actions to the main Board:

“The Committee will provide a continuing independent appraisal of the quality of Action in rural Sussex management by the regular examination of its operational policies, procedures and standards and their implementation.”

Membership during 2008/2009:

A K Stewart-Roberts
W F de Salis
R T H Jackson
J F Stevens (resigned 23 Jul 08)

Sussex Rural Community Council

Report of the Trustees for the year ended 31 March 2009 (continued)

Human Resources Committee

The following responsibilities are delegated to the Committee which reports its actions to the main Board:

“The Committee will advise the Board and Senior Management Team on matters relating to human resource management and equality of opportunity monitoring.”

Membership during 2008/2009:

J A Slaughter
B Dashwood-Hall
K M Field
A K Stewart-Roberts

Marketing and Communications Committee

The following responsibilities are delegated to the Committee which reports its actions to the main Board:

“The Committee will keep up to date the External Communications Strategy of Action in rural Sussex and facilitate the active engagement of Trustees in those parts of the strategy that can best be implemented through their involvement.”

Membership during 2008/2009:

S James (resigned 7 Nov 08)
R R Molony
N M Pearson
W F de Salis

Property Task & Finish Group

The following responsibilities are delegated to the Committee which reports its actions to the main Board:

“The Committee will advise the Board on matters relating to Action in rural Sussex’s ownership, occupation and future needs as regards land and buildings currently used or required wholly or partly for its own purposes including surplus property sublet.”

Membership during 2008/2009:

J P M Lytton
G Peters
P J Shanahan

Management of opportunities and risk

The Trustees acknowledge their responsibility for systematically assessing risks to the charity and putting in place measures to manage these risks. The Trustees have adopted a formal policy for this. This policy includes carrying out an annual assessment of all aspects of the organisation in preparation for the development of the following year’s business plan.

In addition to this annual process, any substantial change to the charity’s operations is subject to a similar assessment, and a register of risks and the measures to manage them is to be maintained with the charity’s formal records. The Opportunity and Risk Management policy uses a categorisation process, which initially classifies risk into:

- governance and management
- operational
- finance
- environmental and external
- law and regulation compliance

and then assesses each potential risk under these headings by (a) potential impact and (b) probability of occurrence.

Sussex Rural Community Council Report of the Trustees for the year ended 31 March 2009 (continued)

Strategic aims and activities

The charitable objects of Action in rural Sussex are wide, and during 2008/2009 we continued to carry out an extensive range of activities in support of community life in Sussex. The policy of Action in rural Sussex is to concentrate on a number of key areas where rural communities require particular support. In addition to the priority attached to rural communities, Action in rural Sussex places a similar priority on initiatives that provide a benefit to voluntary and community organisations as a whole but are of particular importance to those in rural areas. The Review section gives greater detail of the work carried out in each area.

The Trustees have paid due regard to the Charity Commission Guidance on 'Public Benefit' in deciding what activities the charity undertakes. All activities undertaken by Action in rural Sussex are focussed on our charitable purposes.

Beneficiaries of the charity

The beneficiaries of the work of Action in rural Sussex are those living and/or working in rural Sussex, and especially those for whom living in a rural location can easily become an additional excluding or disadvantaging factor in their lives. In particular this includes those not sharing the general prosperity of the region; young people struggling to maintain a foothold in a high cost, low wage economy; people dependent on rural public transport and limited local services and those who are dependent on the support of a local community that is undergoing fundamental change whilst remaining superficially attractive and prosperous.

We have day to day contact with our beneficiaries through outreach work with communities. We distribute widely an attractively designed newsletter, 'Action', which invites feedback from beneficiaries and other stakeholders. We canvass users in regular service-oriented surveys. We have established rural community networks or Rural Forums in both East and West Sussex, and continually seek wider participation from potentially hard-to-reach groups. Much of our practical work is carried out with rural young people and we have led the way on the direct involvement of young people in the recruitment process for our youth workers.

In addition to these informal ways of engaging our beneficiaries we also actively promote formal membership of the Charity. Growing numbers of local village organisations and individuals are members of the charity and take part in its formal governance processes.

During 2008/09 the process of appointing new Trustees through open advertisement and nomination from the charity's members and subsequent election at the Annual General Meeting did not bring forward any nomination. Two new Trustees were subsequently co-opted by the Trustees to fill both geographic and skills gaps that had been identified

Strategic aims

Three years ago we completed a review of Strategic Objectives, and as part of this review we carried out a widespread consultation with users and partners on "Strategic support for the voluntary sector". This was required in order to help clarify how the charity bridges the gap between its charitable objects and areas of benefit on the one hand and its rural priorities on the other. The review created implications for the remainder of the charity's work and, as a result, from 2007/08 onwards we have focused on one key vision and four aims. In subsequent reviews the fourth aim has undergone a small revision and our Vision and Aims are now:

Vision:

We want Sussex to be a place where an inclusive, active, community life is valued equally alongside economic success and environmental protection, and where all three are pursued together.

Aims:

1. Reduce both the incidence and impact of disadvantage and poverty on people living in rural areas.
2. Increase the capacity of rural communities to bring about change to the benefit of all their members.
3. Inform and amplify the voice of rural communities in public policy.
4. Support partnership initiatives with other organisations in pursuit of the first three aims.

4. Achievements and performance in relation to strategic aims

Aim 1: Tackling rural disadvantage

We aimed to reduce the incidence and impact of disadvantage on people living in rural areas. We set about achieving this by: supporting local village social care groups; managing rural transport provision; assisting with local affordable housing initiatives; providing family support services; delivering advice and support to young people; and helping to improve access to, and understanding of, healthy and local food.

Although they represent only the tip of the iceberg some examples will bring to life what we have achieved in this area:

Sussex Rural Community Council

Report of the Trustees for the year ended 31 March 2009 (continued)

Village Care

Action in rural Sussex Village Care team has worked in 32 communities this year, supporting the development of community services for older and vulnerable people. Funding is through East Sussex County Council and the NHS. We also work in Partnership with the Alzheimer's Society and have supported 250 vulnerable people through the Isolation Action Group projects in Chichester.

Family Outreach

At times families need extra support. Rural families need a service that offers timely help locally at home, school and community. Children's Outreach and Parents Extended Support Service (COPES) has offered just such a service across rural East Sussex and worked with over 250 families this year individually and helped organise and run a range of parent support groups as well as supporting families to access a wide range of other services.

Action in rural Sussex has been able to provide rural families with outreach services as a result of contracts with East Sussex County Council to provide this extra support.

Play

The Play Out Project is a two year programme (2008 and 2009) to deliver play based activities in parks and open spaces in the Lewes District targeting 8-16 year olds. The aim is to encourage greater positive use of parks by children and young people in the community.

In 2008 over 100 children and young people attended 12 sessions, all of the sessions managed to take place despite our battle with the weather.

Action in rural Sussex has also developed the Rother Play Project which is funded through Rother District Council and works across the Rother area to provide play services to children and young people aged 8–16.

EDGE Learner Forum

The Sussex EDGE Learner Forum was set up by Action in rural Sussex in January 2008. The forum is made up of young people, aged 14-19, from across the county. The aim of the forum is to develop young people led projects that raise the profile of practical and vocational learning. Last year, the forum identified work experience as an area in need of improvement. Forum members researched and designed a two sided poster, which aimed to share young people's and employers' expectations of each other in the workplace. It is now being distributed to rural employers by the Education Business Partnership. The poster has led to the development of workshops by forum members, which aim to prepare both students and employers for work placements.

Pathfinder

Health and well-being 'on your doorstep' has been the key theme of this West Sussex Primary Care Trust funded pilot programme. Three workshops with over 70 attendees, the majority from Parish Councils and Village Halls, have been held in Chichester District to work with local communities to promote the provision of health and wellbeing activities and events. We have worked with the Rural Health Group, Rural Partnership and service providers to develop different models of service delivery, linking closely to our Rural Access to Services Programme (RASP).

In Horsham and Mid Sussex Districts we have used the Your Bus Your Call mobile resource to work with young people to help them look at their roles within their community and to give them the support and information they need to make the lifestyle choices they are faced with each day.

Food and Community

As part of Action in rural Sussex' work to support a more sustainable food system, we worked with Secondary Schools to help students to make better informed food choices by linking visits to local farms with school cookery, using produce from each farm as the principal ingredient in follow-up cookery lessons.

Visits were organized for 30 secondary school GCSE Food and Nutrition students from Thomas Bennett Community College to three farms, including David Dean's organic livestock farm at Lindfield where students viewed the livestock, watched a butcher cut up a carcass and sampled pork sausages. They took meat back from the farm to cook a variety of healthy meals.

Action in rural Sussex has worked with five secondary schools this year, benefiting 130 young people, 6 teachers, and 14 farms. Funding was provided by West Sussex County Council and East Sussex Primary Care Trust for work in East Sussex.

Aim 2: Building community capacity and resilience

We aimed to increase the capacity of rural communities in order to help them meet the needs of all of their members. We have worked with communities to achieve this by: providing, with the Sussex Association of Local Councils (SALC), extensive advice, training and support to Parish Councils; assisting towns and villages to prepare their own community-led plans; assisting the trustees of community buildings with a wide range of advice and expertise; and giving grants to develop new local initiatives.

Sussex Rural Community Council Report of the Trustees for the year ended 31 March 2009 (continued)

Village Action Plans

The Fieldwork Teams provided support to communities to enable them to identify what is needed in their community and take practical steps to address major issues.

These are just some of the projects that have been achieved as a result of undertaking a community led plan.

- Cuckfield identified safety as a major issue and now has a monthly surgery hosted by the Police and has 26 Neighbourhood Watch coordinators in place.
- Billingshurst built a new Children's and Family Centre, which was launched in November.
- Westfield received funding to support the development of a Hub for all the community, to be launched in April.
- Wisborough Green established a community transport scheme to provide links to other local villages so they can access services more easily.

We have worked this year with over 30 Parishes and 8 Market Towns in 2008. In West Sussex the work is funded by West Sussex County Council and the District Councils. In East Sussex, the work is supported by the 3 rural District Councils.

Community Buildings

We supported 57 capital community building projects in West Sussex and around 25 in East Sussex during the year. Three West Sussex communities were successful in obtaining grants from the Big Lottery Fund Community Buildings Programme in Spring 2009: Bracklesham Bay, Boxgrove and Fishbourne, but twelve were unsuccessful. West Sussex County Council provided partner funding to support these applications.

Our community buildings service has been funded this year by West Sussex County Council, all District Councils, membership fees, a donation from AON insurers and advertisers in the quarterly village hall mailing.

Rural Access to Services

An area of growing concern for rural communities is in poor access to services, especially for those without easy ready access to the private car. During the year we have been putting in place a programme designed to find innovative ways of tackling this issue through collaboration between local communities themselves and a variety of service providers. This initiative has been targeted on some of the areas where access to services is most difficult

In the next 2 years Action in rural Sussex plans to work with 10 locations across East and West Sussex and will use the information gained to inform future service planning. Action in rural Sussex will also work with 8 parishes to develop information points for their village.

This is a South East Economic Development Agency (SEEDA) funded programme developed by the two County Rural Partnerships.

Quality Local Councils

We recognise that 'Stronger Communities' are likely to be those supported by a local council with 'Quality Council' status, we have worked closely with SALC to increase the number with Quality status. By the end of the year there were 52 across both Counties; more Quality Councils than any other county in England.

This has been achieved through a combination of initiatives, first our programme of targeted training and support to clerks working to obtain the necessary qualification, second the great importance placed on chairman and councillor briefings to keep elected members up to date on legislative changes, good practice and trends in the sector and third the prospect of reward grants generated by our successful achievements in the Local Area Agreements of both County Councils.

Quality Councils across Sussex by District are as follows, total eligible councils in brackets : (Parish Meetings are not included)

Wealden 15 (40), Rother 4 (32), Lewes 6 (22), Arun 3 (28), Chichester 6 (60), Mid Sussex 8 (23), Adur 1 (2), Horsham 9 (32)

Housing

Action in rural Sussex has worked with 32 parishes over the year, undertaken 10 housing needs surveys and appraised approximately 100 sites. One example is a case that we were able to help through funding from Hastoe Housing Association and Lewes District Council:

In the 2007 the Rural Housing Enabler undertook a housing needs survey in Barcombe, East Sussex following an approach from the parish council who recognised that local people were struggling to find accommodation in the village. The need for affordable housing identified in the survey led to the formation of a housing working group which identified and appraised a number of sites for their suitability for a small development.

In Barcombe, the parish council took the initiative and following a period of negotiation between all concerned a scheme of 12 affordable homes on an exception site at the edge of the village started on site in March 2009.

Sussex Rural Community Council Report of the Trustees for the year ended 31 March 2009 (continued)

Aim 3: Rural voice

We aimed to inform and amplify the voice of rural communities in order to influence public policy towards them. We have wherever possible pursued a partnership-based approach to raising the rural voice alongside other statutory and voluntary organisations.

Evidence and advocacy

Action in rural Sussex uses a number of ways to promote the interests of rural communities and stand up for them wherever policy is being made. Some of the key issues this year have been:

- Action in rural Sussex led the way in helping to redefine and understand rural needs and the Rural Share of Deprivation and this was also the focus for the very successful and well attended Annual Conference in November.
- In early 2009 Action in rural Sussex produced the updated 21st Century Village illustration as a tool for rural communities interested in climate change.
- Action in rural Sussex Policy Position Statements are produced to influence public sector policy and strategy. Rural Housing and Rural Transport are the first two in the series

The 'Action' newsletter, produced each quarter, raises important topical rural issues.

Our website, which has been completely renewed in the year, is now an additional source of information and support and seeks peoples' views and opinions on issues as they arise.

Rural Partnerships

The Rural Partnership in each county meets 4 times a year, organised and managed by Action in rural Sussex, to provide an overview of rural programme delivery, rural issues and trends and rural proofing of strategies and policies. They each provide reports to the Local Strategic Partnerships (LSPs), and to the regional and national Rural Forums and have developed regular meetings with SEEDA. This year each Partnership has examined a range of issues including rural skills and training, access to health services, the effects of the recession in rural areas, rural share of deprivation, post office closures, rural transport.

Each Rural Partnership has also organised two Rural Forum meetings for a wider audience of rural interests groups and individuals. These helped to inform the Rural Partnership. They have focused on rural transport, employment and changes in the land-based sector, the recession in rural areas, and rural access to health services. Funding comes from the Department of Environment, Food & Rural Affairs (DEFRA), West Sussex County Council and East Sussex County Council.

Aim 4: Working with others

We aimed to champion community life in Sussex and work with other organisations, both urban and rural, to promote the value and benefit of active communities. We have pursued this aim through partnerships to support the voluntary and community sector, and through the Sussex Voluntary and Community Sector Learning Consortium.

ChangeUp – East and West Sussex

The East and West Sussex ChangeUp Consortia include representatives from the voluntary & community and the public sectors. They monitor the development of support services for voluntary & community organisations and feed this back to Capacitybuilders, which funds the programmes.

The Big Event was held at the International Tennis Centre in Eastbourne in December 2008. This was very well attended and included

- people being able to share their experiences and get information about support available
- the launch of www.askcasper.org.uk – a new website designed to support community groups in East Sussex
- promotion of the SpeakUp Countywide Forum – developing a strong voice for voluntary and community groups in East Sussex
- the Annual Review and the work of the East Sussex ChangeUp Consortium

Feedback from the event showed that people found the opportunity to network very useful, the speakers informative and the presentations interesting.

Sussex Rural Community Council

Report of the Trustees for the year ended 31 March 2009 (continued)

Sussex Voluntary & Community Sector Learning Consortium

Action in rural Sussex is the accountable partner for this consortium of 60 voluntary & community organisations providing learning and training opportunities. This year they have:

- Organised research on the role of the voluntary & community in supporting adults who want to learn for work or for pleasure.
- Provided courses for about 400 people through the Neighbourhood Learning Project. Associated capital funding has helped organisations to buy equipment to support adult learning activities or to equip or refurbish buildings where adult learning takes place.
- As a partner in the Surrey Community Action Learning 4 Counties Project, provided funding for three team building sessions and eleven training courses in East and West Sussex and worked with partners in West Sussex to run two very successful Finding Funding Training Days.
- Run an event with guest speakers from National Institute for Adult Continuing Education (NIACE) and the Institute for Learning (IfL) to support those who teach adults.
- Provided outreach support that has enabled 11 organisations in Sussex to access Community Grants to help people back into employment.

Funding has come from the Learning & Skills Council, Big Lottery and European Social Fund.

Strategic Development

From time to time we are provided with support from our partners to help build our own capacity to meet the needs of rural communities. This support for our own strategic development has helped us during the year to improve our risk management systems, review and update our business continuity procedures in the event of a major interruption in service and maintain progress towards the next level of the ACRE/DEFRA Quality Standards

Developments and changes to activities

There has been no material change in the activities we have carried out in pursuit of our strategic aims. We have continued to develop a focus on direct support to rural people as well as indirect support through services to other organisations. We have, however, reduced our direct delivery of rural transport services in favour of a more strategic involvement in the development of both transport and more local access for rural people to essential services. We have also had to focus our case work with communities in East Sussex due to the ending of the DEFRA Rural Social and Community Programme in March 2008 and no replacement funding being available to fill this gap.

Volunteers and help in kind

Action in rural Sussex relies heavily in its work on time freely given by volunteers in their own communities. Relatively few volunteers work directly within Action in rural Sussex. Those who do, however, contribute a very high level of expertise in specific specialist fields. Many of the projects carried out by Action in rural Sussex are done as partnership projects in which other organisations contribute help in kind. We do not show the financial contribution of this help in kind within the financial statements. We are indebted to the organisations that work with us in this way and are grateful for their co-operation in preparing statements of their contributions when these are required to demonstrate match funding.

Work with other charities

The core of Action in rural Sussex's work is its support of smaller voluntary organisations and charities throughout Sussex. In addition, it seeks to work in partnership with a wide range of other voluntary organisations in order to help rural communities access specialist skills and services.

Impact beyond the area of benefit

Action in rural Sussex has worked closely with other organisations at a regional level to help develop a rural perspective in policies affecting the South East. Our Chief Executive has completed his final year as Chairman of the South East Rural Affairs Forum. He has also represented this Forum on the Regional Development Agency's Rural Development Committee. We have sought to influence and work with SEEDA to develop new programmes of support for rural areas in Sussex and the rest of the South East: this has become particularly important as a result of DEFRA implementing its review of rural policy delivery mechanisms and consequential reduction in funding.

In addition to Action in rural Sussex's involvement with South East England Development Agency, much of the organisation's rural policy work has been directed at working with the Commission for Rural Communities and others to influence the delivery of the government's Local Area Agreements with East Sussex and West Sussex, and to ensure that this can work for rural areas. This reflects the policy environment within which Action in rural Sussex works. Action in rural Sussex is currently satisfied that the involvement of its officers and Trustees on a regional, national and European stage brings net benefits to rural Sussex.

Sussex Rural Community Council Report of the Trustees for the year ended 31 March 2009 (continued)

Financial review

Overview

Action in rural Sussex carries out a wide range of projects and programmes in pursuit of its strategic aims. The outcome of this activity has been reported earlier in the Trustees' Report. From the financial statements (pages 12-20) it is evident that resources expended exceeded incoming resources during the year. However, the overall financial health and status of the organisation must be viewed in the context of a division of activity into restricted and unrestricted funds.

Restricted Funds

As shown in the Statement of Financial Activities (page 12), the balance of restricted funds held by the charity has decreased over the year. The net movement of funds reflects the expenditure of large brought forward balances from prior years, and does not represent an overall overspend in this area. Restricted income dropped between 2008 and 2009, largely due to the fact that several projects ended during the year.

The detail of the restricted fund activity is set out in Note 11 to the accounts (page 19). Where individual projects show a deficit on completion or termination, this has been made good from unrestricted funds.

Unrestricted Funds

Unrestricted income increased slightly during the year, mainly in the form of primary purpose trading as the organisation moved more into provision of direct services.

Full Cost Recovery

From April 2006 we have been recovering overheads through full cost recovery based on a well recognised model developed by the Association of Chief Executives of Voluntary Organisation (ACEVO). This ensures that premises costs, governance and shared central costs are recovered fairly from all activities in proportion to the 'drivers' of those costs, and is a reassurance to funders that Action in rural Sussex can deliver its projects in a sustainable way.

Free Reserves

The total funds (reserves) of the charity as represented by net assets in the balance sheet, amount to £1,043,449. In order to establish the value of reserves available to the Trustees, known as "free reserves", monies held for specific purposes including funds designated by Trustees for particular projects, and any monies not available for other uses must first be deducted. Restricted funds whose use is formally restricted by the funder total £326,392. In addition, resources invested in fixed assets and funds designated by the Trustees for particular projects or purposes total a further £442,454 leaving a free reserve of £274,603.

Reserves policy

With substantial commitments to employees, and the need for business continuity, the Board of Trustees have developed a reserves policy to allow for contingent liabilities. The policy of Action in rural Sussex is to aim to keep a free reserve the equivalent of:

"Six months' core unrestricted operating costs in order to fulfil obligations; plus any planned capital payments due over the next twelve months."

The free reserve is maintained primarily in case Action in rural Sussex suffers a sudden and unforeseen contraction of activities. Any remaining free reserves not required under the reserves policy are available to develop the work of the charity, to meet its charitable objectives and to fulfil any latent contractual obligations entered into by the charity as part of its primary purpose trading.

The Board of Trustees confirm that each restricted fund has sufficient assets to meet its obligations, or arrangements exist with the funders that these obligations will be met at the point at which the requirement arises.

The level of free reserves against target fluctuates based on the balance of unrestricted and restricted funds projected by the charity. Using the above calculation, the free reserves have reached 138% of their target.

Valuation of Sussex House

The value of Sussex House appearing in the Accounts follows a re-valuation carried out in March 2009. This valuation resulted in an impairment of £71,565 which has been included in the unrestricted expenditure for the year.

Loan for refurbishment of Sussex House, 212 High Street, Lewes

A loan was taken out in 2001 to enable the refurbishment of Sussex House. The loan was taken out on a variable interest rate, subsequently converted to a fixed rate and was paid off in full March 2009.

Sussex Rural Community Council
Report of the Trustees for the year ended 31 March 2009 (continued)

Statement of Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the charitable company's Trustees to prepare financial statements for each financial year which give a true and fair view of the charitable company's incoming resources and application of resources during the year and of its state of affairs at the end of the year. In preparing those financial statements the trustees are required to:

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

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the charitable company's assets and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

All of the current Trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the charitable company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The trustees are not aware of any other relevant information of which the auditors should be aware.

A resolution proposing the reappointment of Russell New Limited as auditors and authorising the Trustees to fix their remuneration will be put to the Annual General Meeting.

We confirm that the accounts comply with current statutory requirements and with the requirements of the governing document.

Approved by the Board of Trustees and signed on its behalf by:



K Field
Chair of Trustees



B Dashwood-Hall
Honorary Treasurer

**Sussex Rural Community Council
Independent Auditors Report for the year ended 31 March 2009**

To the members of Sussex Rural Community Council

We have audited the financial statements of Sussex Rural Community Council for the year ended 31 March 2009 set out on pages 12 to 20. These accounts have been prepared in accordance policies set out on pages 14 to 15.

The prior year financial statements were audited by BDO Stoy Hayward.

This report is made solely to the charity's trustees, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described on page 10, the trustees, who are also the directors of Sussex Rural Community Council for the purpose of company law, are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We have been appointed as auditors under section 43 of the Charities Act 1993 as amended and report in accordance with regulations made under section 44 of that Act. Our responsibility is to audit the accounts in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the accounts give a true and fair view and are properly prepared in accordance with the Companies Act 1985.

In addition we report to you if, in our opinion, the charity has not kept sufficient accounting records, if the accounts do not accord with those records, or if we have not received all the information and explanations we require for our audit.

We read the Trustees' Report and consider whether it is consistent with the audited accounts. We consider the implications for our report if we become aware of any misstatements or material inconsistencies with the accounts.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion:

- the accounts give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the charity's affairs at 31 March 2009 and of its incoming resources and application of resources in the year then ended;
- have been properly prepared in accordance with the Companies Act 1985
- the information given in the Trustees' Report is consistent with the accounts



Russell New Limited
Registered Auditor
The Courtyard
Shoreham Road
Upper Beeding
Steyning
West Sussex
BN44 3TN

Dated: 9 September 2009

Sussex Rural Community Council
Statement of Financial Activities (including income and expenditure account)
for the year ended 31 March 2009

	<i>Note:</i>	Unrestricted Funds £	Restricted Funds £	2009 Total £	2008 Total £
Incoming Resources:					
Incoming Sources from Generated Funds					
Voluntary income - donations & legacies		8,664	-	8,664	13,512
Activities for generating funds	2	32,457	-	32,457	15,561
Investment income & interest		19,434	-	19,434	45,121
Incoming Resources from Charitable Activities					
<i>Grants & contracts for operational programmes by aim:</i>					
Tackling rural disadvantage		2,979	878,776	881,755	1,133,715
Building community capacity & resilience		179,617	534,202	713,819	1,529,356
Rural voice		106,725	47,365	154,090	196,200
The wider community		-	280,130	280,130	504,396
Other Incoming Resources					
Strategic development		52,888	-	52,888	20,000
Total Incoming Resources		402,764	1,740,473	2,143,237	3,457,861
Resources Expended:					
Expended Resources for Generated Funds					
Activities for generating funds	3	29,680	-	29,680	-
Costs of Charitable Activities					
<i>Costs of operational programmes, by aim:</i>					
Tackling rural disadvantage		-	850,106	850,106	1,226,679
Building community capacity & resilience		200,153	514,725	714,878	1,720,665
Rural voice		115,210	69,922	185,132	164,291
The wider community		-	296,264	296,264	553,022
Governance Costs					
		6,103	29,667	35,770	37,039
Other Resources Expended					
Property revaluation impairment	6	71,565	-	71,565	-
Structural premises repairs		23,500	-	23,500	-
Strategic development		19,301	-	19,301	20,074
Total Resources Expended		465,512	1,760,684	2,226,196	3,721,770
Net Incoming/(Outgoing) Resources Before Transfers		(62,748)	(20,211)	(82,959)	(263,909)
Transfer Between Funds	11	49,280	(49,280)	-	-
Net Movement in Funds		(13,468)	(69,491)	(82,959)	(263,909)
Fund Balances Brought Forward at 1 April 2008		730,525	395,883	1,126,408	1,390,317
Fund Balances Carried Forward at 31st March 2009		717,057	326,392	1,043,449	1,126,408

All amounts relate to continuing activities
The notes on pages 14 to 20 form part of the financial statements

**Sussex Rural Community Council
Balance Sheet at 31 March 2009**

	Note:	Unrestricted Funds £	Restricted Funds £	Total 2009 £	Total 2008 £
Fixed Assets					
Tangible Assets	6	442,454	-	442,454	520,956
Current Assets					
Debtors	7	94,544	218,329	312,873	414,949
Cash at bank and in hand		249,942	155,973	405,915	530,950
		344,486	374,302	718,788	945,899
Creditors: amounts falling due within one year	8	(69,883)	(47,910)	(117,793)	(301,293)
Net Current Assets		274,603	326,392	600,995	644,606
Total Assets Less Current Liabilities		717,057	326,392	1,043,449	1,165,562
Creditors: amounts falling due after more than one year	9	-	-	-	(39,154)
		717,057	326,392	1,043,449	1,126,408
Net Assets represented by:-					
Restricted Funds	11	-	326,392	326,392	395,883
Non-Designated Unrestricted Funds	10	292,057	-	292,057	291,181
Designated Funds	10	425,000	-	425,000	439,344
		717,057	326,392	1,043,449	1,126,408

The notes on pages 14-20 form part of the financial statements

Approved by the board of Trustees and authorised for issue on 9 September 2009
and signed on its behalf by



**K Field
Chair of Trustees**



**B Dashwood-Hall
Honorary Treasurer**

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of freehold buildings, and are in accordance with applicable accounting standards and the Statement of Recommended Practice, "Accounting and Reporting by Charities" (revised 2005).

The principal accounting policies adopted, are:

Consolidated Financial Statements

The Company is exempt from the requirement to prepare consolidated financial statements by virtue of section 248 of the Companies Act 1985 as the group it heads qualifies as a small group. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Incoming resources

All incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Income from grant funding, both core and specific, is taken to the statement of financial activities in accordance with the terms of the funding.

Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the charity. The grants are accounted for where either the trustees have agreed to pay the grant without condition and the recipient has a reasonable expectation that they will receive a grant, or any condition attaching to the grant is outside the control of the charity.

Where possible, costs are identified directly with specific programmes and allocated to the relevant heading within resources expended. Indirect costs are allocated to programmes in proportion to activity levels and their relative demands on central resources. Premises costs have been allocated on the full time equivalent of salary time costs and other costs have been allocated on head count bases and in proportion to direct costs incurred.

Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit together with an apportionment of overhead and support costs.

Tangible fixed assets

All assets costing more than £1,000 are capitalised. Depreciation is provided to write off the cost or valuation, less estimated residual values, of the assets over their expected useful lives at the following rates:

Freehold land and buildings	- 1% straight line basis
Furniture, fixtures and equipment	- 33% reducing balance method

Pensions

The company makes defined contribution pension and superannuation payments in relation to certain members of staff in accordance with the terms of their employment contracts. Such payments are charged to the statement of financial activities as they become payable.

Leased assets

Rentals under operating leases are charged to the statement of financial activities on a straight-line basis over the term of the lease.

Sussex Rural Community Council

Notes forming part of the financial statements for the year ended 31 March 2009 (continued)

1 Accounting policies (continued)

Restricted funds

Where funds are received for specific purposes set out by the donor or implied by the terms of appeal, these are shown as restricted income in the statement of financial activities. Expenditure for the purposes specified is applied against the income and any amounts unexpended at the balance sheet date are shown within restricted funds. Where expenditure is incurred in advance of income it is shown as a negative fund.

Delegated funds

Where amounts held for distribution as grants on behalf of the funders and the charitable company has an active role in the distribution of grants, these are included in restricted funds. Where the charitable company acts solely as an intermediary between the funder and the beneficiary, any balances held are shown as funds held on behalf of third parties within creditors.

Designated Funds

The Trustees, at their discretion, may set aside funds to cover specific future costs. Such funds are shown as designated funds within unrestricted funds. Where the trustees decide such funds are no longer required for the purposes intended, they may be released by transfer to general unrestricted funds.

2 Activities for generating funds

Included in total incoming unrestricted resources are the following:

	2009 £	2008 £
Rental income	26,024	10,854
Conference rooms	4,471	3,357
Other services	1,962	1,350
	32,457	15,561

3 Total charitable expenditure

	Staff Costs £	Grants Awarded £	Other Direct Costs £	Total 2009 £	Total 2008 £
Activities for generating funds	1,649	-	28,031	29,680	-
Costs of charitable activities	1,281,492	218,639	546,249	2,046,380	3,684,731
Property revaluation impairment	-	-	71,565	71,565	-
Structural premises repairs	-	-	23,500	23,500	-
Strategic development	13,847	-	5,454	19,301	-
	1,296,988	218,639	674,799	2,190,426	3,684,731
Governance costs	18,954	-	16,816	35,770	37,039
	1,315,942	218,639	691,615	2,226,196	3,721,770

Support costs of £357,962 (2008: £358,358) have been allocated across all resources expended using a Full Cost Recovery system which charges support costs to project based on full-time equivalent headcount. These costs comprise of central functions costs (ICT, finance, HR, training, administration) and premises costs (rent, rates, utilities).

Included within other direct costs is interest payable on bank loans of £2,530 (2008: £3,576) and £22,384 (2008: £22,928) relating to the hire of land and buildings under operating leases.

Sussex Rural Community Council

Notes forming part of the financial statements for the year ended 31 March 2009 (continued)

3 Total charitable expenditure (continued)

	2009	2008
	£	£
Governance costs consist of:		
Staff costs	18,954	19,061
Trustees and other expenses	1,124	2,346
Auditor's remuneration - for statutory audit services for the charity	10,030	9,097
Professional Indemnity Insurance	-	1,076
Legal & Professional Fees	2,155	2,032
Annual general meeting	3,507	3,427
	35,770	37,039

	Grants awarded	Other costs	Total 2009	Total 2008
	£	£	£	£
Expenditure by Aim				
Tackling rural disadvantage	23,799	826,307	850,106	1,226,679
Building community capacity & resilience	5,727	709,151	714,878	1,720,665
Rural voice	2,550	182,582	185,132	164,291
The wider community	186,563	109,701	296,264	553,022
	218,639	1,827,741	2,046,380	3,664,657

4 Staff Costs

	2009	2008
	£	£
Included in total resources expended are the following costs:		
Wages and salaries	1,178,914	1,307,584
Social security costs	112,520	122,381
Other pension costs	24,508	24,997
	1,315,942	1,454,962

	2009	2008
	Number	Number
The average weekly number of employees during the year was as follows:		
Professional staff	49	57
Support staff	5	11
	54	68

Included in the above figures are 34 part time staff (2008 – 34). No employee earned emoluments in excess of £60,000 per annum during the year.

There was no remuneration paid to any trustees of the charitable company, or their connected persons, during the year and the Trustees are not included in the staff numbers shown above. Travel expenses of £870 (2008: £783) were reimbursed to three trustees during the year.

Sussex Rural Community Council

Notes forming part of the financial statements for the year ended 31 March 2009 (continued)

5 Net Profit / Loss of Subsidiary

The results of SRCC (Trading) Limited are summarised below:

	2009 £	2008 £
Expenditure and Net Profit / (Loss)	-	(29)

Action in rural Sussex owns 100% of the 2 Ordinary Shares of SRCC (Trading). The company was used to carry out the non-charitable activities of Action in rural Sussex. SRCC (Trading) Limited is incorporated in England and has in the past been involved in business and management consultancy. SRCC (Trading) Limited has not traded during the year.

The share capital and accumulated reserves of SRCC (Trading) Limited as at 31 March 2009 were £3,121 (2008: £3,121).

6 Tangible fixed assets

	Freehold Land and Buildings £	Furniture, Fixtures and Equipment £	Total £
<i>Cost or Valuation</i>			
At 1 April 2008	937,868	150,424	1,088,292
Additions	-	-	-
Revaluation Impairment	(512,868)	-	(512,868)
	425,000	150,424	575,424
<i>Depreciation</i>			
At 1 April 2008	-	126,033	126,033
Provided for the Year	-	6,937	6,937
	-	132,970	132,970
At 31 March 2009	-	132,970	132,970
<i>Net Book Value</i>			
At 31 March 2009	425,000	17,454	442,454
At 31 March 2008	496,565	24,391	520,956

The freehold property was valued by Oakley Commercial Ltd, Chartered Surveyors, in March 2009 which showed a market value of £425,000. At 31 March 2008 the Net Book Value of Freehold Land and Buildings was £496,565. An impairment was made during the year of £71,565.

Sussex Rural Community Council
Notes forming part of the financial statements for the year ended 31 March 2009 (continued)
7 Debtors

	2009 £	2008 £
Amounts falling due within one year:		
Grants and other debtors	213,342	231,710
Accrued Income	94,254	164,102
Prepayments	2,277	16,137
Amounts due from subsidiary undertaking	3,000	3,000
	312,873	414,949

8 Creditors: amounts falling due within one year

	2009 £	2008 £
Bank Loan	-	18,067
Other Creditors	53,649	91,915
Accruals & Deferred Income	57,407	185,210
Taxation & Social Security	6,737	6,101
	117,793	301,293

9 Creditors: amounts falling due after more than one year

	2009 £	2008 £
Bank Loan	-	39,514

The bank loan was repaid in full March 2009

10 Unrestricted funds

	Fund Balances at 1 April 2008 £	Incoming Resources £	Resources Expended £	Transfers £	Fund Balances at 31 March 2009 £
Designated Funds:					
Centre for Rural Development	496,565	-	(71,565)	-	425,000
Less associated bank loan	(57,221)	-	57,221	-	-
Total Designated Funds	439,344	-	(14,344)	-	425,000
General Fund	291,181	402,764	(451,168)	49,280	292,057
	730,525	402,764	(465,512)	49,280	717,057

The Centre for Rural Development designated fund represents the resources invested in the charitable company's freehold land and buildings.

Sussex Rural Community Council
Notes forming part of the financial statements for the year ended 31 March 2009 (continued)
11 Restricted Funds

	Balances at Start of Year £	Transfers £	Incoming Resources £	Outgoing Resources £	Balances at end of Year £
Aim 1: Tackling Rural Disadvantage					
Children, Young People & Families	77,279	(9,989)	521,952	511,628	77,614
Food & Community	15,696	-	110,349	114,071	11,974
Social Inclusion	23,923	-	246,475	238,977	31,421
Aim 2: Building Community Capacity & Resilience					
Action Plans East Sussex	11,818	3,000	30,940	41,784	3,974
Action Plans West Sussex	68,694	-	153,657	168,627	53,724
Grant Making	55,919	(35,279)	22,645	35,251	8,034
Housing	-	(3,000)	93,873	76,273	14,600
Parish Governance	6,561	-	10,000	12,289	4,272
Rural Access to Services East Sussex	-	-	66,872	41,668	25,204
Rural Access to Services West Sussex	-	-	68,557	32,657	35,900
Rural Economy	14,498	-	35,600	36,944	13,154
Rural Transport	34,051	(566)	52,058	79,250	6,293
Aim 3: Rural Voice					
Research & Policy	17,036	(5,906)	38,409	49,538	1
Village of the Year	-	-	8,956	6,595	2,361
Website Development	11,329	2,460	-	13,789	-
Aim 4: The Wider Community					
Training Consortium	57,765	(130)	195,963	220,985	32,613
VCS Infrastructure	1,314	130	84,167	80,358	5,253
Totals	395,883	(49,280)	1,740,473	1,760,684	326,392

Transfers

Within the Restricted Funds of Action in rural Sussex are some unrestricted funds allocated to the cost centres by the charity. During the year, £55,254 has been transferred to unrestricted funds to represent the original unrestricted funds placed in the cost centres by the charity. The charity is confident it has fulfilled its obligations to any funders of the projects above.

12 Pension Scheme

Action in rural Sussex participates in the Pensions Trust Growth Plan. The Plan is funded and is a multi employer pension Plan. It is not possible to identify the share of the underlying assets and liabilities of the Plan belonging to individual participating employers.

Contributions paid in to the Growth Plan up to and including September 2001 were converted to defined amounts from Normal Retirement date. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Growth Plan or by the purchase of an annuity.

The valuation results of the Scheme at 30 September 2008 have been completed and will be formalised shortly. The valuation of the Scheme was performed by a professionally qualified actuary using the Projected Unit Method. The market value of the Scheme's assets at the valuation date was £742 million and the Plan's Technical Provisions (i.e. past service liabilities) were £771 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £29 million, equivalent to a funding level of 96%. The next full actuarial valuation will be carried out as at 30 September 2011.

Sussex Rural Community Council

Notes forming part of the financial statements for the year ended 31 March 2009 (continued)

12 Pensions Scheme (continued)

Following a change in legislation in September 2005 there is a potential debt on the employer that only applies to employers with pre October 2001 liabilities in the Plan. The debt is due in the event of the employer ceasing to participate in the Plan or the Plan winding up.

Action in rural Sussex has been notified by the Pensions Trust of the estimated employer debt on withdrawal from the plan based on the financial position of the Plan as at 30 September 2008. As of this date the estimated employer debt for Action in rural Sussex was £233,628.39 but will not crystallise unless all employees leave the scheme and the scheme is no longer offered to any employees.

13 Contingent liability

The charity has received funding to create a centre for rural development within the charity's main building, Sussex House. Under the terms of the agreement the funding may have to be repaid in full or part should the property be sold or its use be changed up until December 2021. The maximum amount of the contingent liability is £164,000.

14 Commitments

Annual commitments under non-cancellable operating leases were as follows:

	2009 Land and Buildings £	2009 Other £	2008 Land and Buildings £	2008 Other £
Leases which expire:				
In two to five years	23,938	-	46,250	-

15 Related party transactions

At 31 March 2009, £3,000 (2008: £3,000) was owed by SRCC (Trading) Limited, a subsidiary company.

Funding contributions of £1,500 (2008: £3,466) were made to, and grants and income for services of £8,609 (2008: £8,451) were received from South East Rural Community Council, an organisation for which K Field, a trustee of Action in Rural Sussex, is also a trustee.

One of the Trustees has had related transactions with the Charity during the year. During the year, Foye Estates Ltd (owned by Mr Graham Peters) invoiced the charity £6,250 (2007: £6,250) for rent. All transactions were at arm's length.