

Sussex Rural Community Council  
Report of the Trustees for the year ended 31 March 2020

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**Reference and administrative details**

<b>Secretary and Registered Office:</b>	Angela Croucher (appointed 10 September 2019) Suites F7-F9, Waterside Centre, North Street, Lewes BN7 2PE
<b>Company No:</b>	2907172
<b>Charity No:</b>	1035401
<b>Operating name:</b>	Action in rural Sussex (AirS)
<b>Independent Examiner:</b>	John Thacker, Chariot House Limited, 44 Grand Parade, Brighton, East Sussex BN2 9QA
<b>Bankers:</b>	Barclays Bank plc, The Old Bank, High Street, Lewes, East Sussex, BN7 2JP CAF Bank Ltd., 25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ Shawbrook Bank, Lutea House, Warley Hill Business Park, The Drive, Great Warley, Brentwood, Essex CM13 3BE The Charity Bank Ltd, Fosse House, 182 High Street, Tonbridge TN9 1BE Nationwide Building Society, Kings Park Road, Moulton Park, Northampton, NN3 6NW
<b>Solicitors:</b>	Christmas Ogden & Company Solicitors, Howard Cottage, Broomans Lane, Lewes, East Sussex, BN7 2LT

**Trustees at 31 March 2020 and up to the date of this report:**

William Anderson  
Alex Ingham Clark (Chairman)  
Rob Dillingham  
Carole Robertson  
Neil Smith (Honorary Treasurer)  
John Moore-Bick

## Chairman's foreword

When I took over from Chantal Wilson as Chairman of AirS in November last year, I did so knowing I had 'big shoes' to fill. Chantal lead AirS through a time of considerable change having presided over the sale of Sussex House, moving into new temporary offices and the appointment of our Chief Executive Petrina Mayson, along with several necessary key structural changes as set out in our Strategic Plan. She left AirS in a much better position than she found it, as demonstrated by this year's Report & Accounts, to face the challenges ahead. For this and the support she showed me and her fellow trustees I would like to thank her once again, Chantal you left AirS in a much better place than you found it!

Though having said this little did we know that, in addition to the all the many day to day challenges in supporting rural communities in Sussex, we would be confronted with the Covid 19 pandemic and a dramatically changed world along with an entirely new set of issues.

Covid 19 has, fortunately, had little financial impact upon the period we are reporting here as the lockdown only started 3 weeks before the end of the reporting period, but it would be remiss of me not to mention it as it will inevitably colour everything we do going forward for some considerable time to come. Offering numerous challenges as well as opportunities. I would like to thank my fellow trustees, Trina and all her staff for their dedication and perseverance in such a difficult time.

AirS is, I believe, in a good position to weather this storm; we have some long-term funding in place and have a continued and rising demand for our services. We are also fortunate, unlike many other charities, not to have seen a dramatic fall in income over the last few weeks as the economic effects of the crisis have taken hold. The board will continue to monitor events and do our utmost to position AirS for the best possible outcome as we re-emerge from this crisis, whenever this may be.

This year we have had one new Trustee join our Board: John Moore-Bick a former senior army officer, a past Master of the Skinners' Company and a governor of Plumpton College, who has already made an impact with his fresh thinking and approach. John thank you for your support.

In last year's report Chantal stated that AirS is, like many other voluntary organisations, largely dependent on statutory sector funding, and therefore we have adjusted our activities in direct response to commissioners' priorities. The advent of the Covid 19 outbreak will, no doubt, put even more pressure on funders and charities and unfortunately, we will almost certainly have to adapt again as it becomes clear how bad and prolonged the economic damage has been. The Trustees wish to continue to make a meaningful and growing impact and remain determined that the capital receipt from the sale of Sussex House is used as the launch pad for AirS to pursue its charitable aims, and make an even greater difference to rural communities in Sussex, particularly at this time of crisis.

Whilst the world has been changing around us in Spring 2020 our staff at the front line have adapted and continued to deliver the vital rural services for which AirS is so well known. I know how hard our staff have worked to make the change to working from home and continuing the important work they do in their communities. Work that will be essential as we repair the damage done in the months of lockdown whenever they may end. A huge amount of work has been done to enable us to maintain communications both internal and externally and I wish to thank them all again for this tremendous effort and for the flexibility they have all shown in this unprecedented time.

To highlight some of the excellent work our team has been doing in the last year:

### Community Based Services - General

We have raised the profile of our service and extended its reach, into West Sussex, an area where we have not previously been that active. We have become a key partner in the 'Lost Woods' project, a 5-year, multimillion pound lottery funded project alongside conservation and environmental charities such as the Woodland Trust, the Environment Agency and the Small Woods Association. I hope these links will open further opportunities for our involvement in environmental projects in the future.

### Community Based Services – Village Agent Team

AirS became one of 5 partners in a new 5 year, £3.8m, ESCC funded community development project called 'Making it Happen'. This project will allow us to work in designated areas within East Sussex to really make a difference to the life of the people living there. The project is proving to be a great example of how different organisations can work together for a common goal and that the different experiences each partner brings can make for an extraordinarily strong team.

Partners have been extremely impressed with the professionalism, breadth of knowledge and the openness to collaborative working of the Village Agents. I feel this project will raise our profile further and lead to other opportunities for new projects.

Housing Hub team

Securing planning consent for the Herstmonceux Community Land Trust scheme at Strawberry Field was a real highlight for the Hub team. This truly exciting mixed development consists of a very low energy, high quality design scheme of 18 local needs homes and was unanimously approved and wholeheartedly supported by the Wealden District Council planning committee in November 2019.

Village Halls and Community Buildings Service

In late December 2019, we recruited for the new position of Facilities Advisor. Since then we have greatly expanded the work of the Village Halls and Community Buildings Service with visits to a number of halls and making contact with a great many more and advising on such issues as health and safety, funding and management constitutions. This proactive approach has raised the profile of this unique service and is reflected in the numbers of new subscribers to this service. This work is paving the way to developing the service further with plans to hold more seminars and training and extending the range of support we offer to subscribers.

Our community focussed services are more necessary than ever, and demand will no doubt grow in other areas where we can assist rural communities as we emerge and get back to normal. The Board of Trustee will, as always, be looking for ways we can fulfil our charitable aims and make a necessary difference to the communities we serve.

**Alex Ingam Clark**  
**Action in rural Sussex**

## Trustees' report

### 1. Introduction

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### 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; in particular to promote and organise partnership working to achieve the advancement of education, the protection of health, relief of poverty, distress and sickness, by bringing together representatives of the statutory authorities, voluntary organisations and other bodies and any interested persons. 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 operating name "Action in rural Sussex" (AirS).

#### Trustees

The trustees are elected by the members of the charity at the Annual General Meeting (AGM) and may serve a maximum of 10 years. Any remaining vacancies not filled at the AGM are filled by co-option on the initiative of the trustees.

New trustees receive an induction pack and 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 that meeting, they also meet key trustees and employees. Trustees are encouraged to attend appropriate training where this will facilitate the undertaking of their role.

A maximum of 16 members of the Board of Directors will be elected at General Meeting proposed by members of the Company and are invited by the Board of Directors to make such proposals.

The trustees of the charity during the year were:

William Anderson  
Andrew Colquhoun (resigned 17/10/2019) (former Honorary Treasurer)  
John Moore-Bick (appointed 3/12/2019)  
Neil Smith (Honorary Treasurer)

Alex Ingham Clark (Chairman)  
Rob Dillingham  
Carole Robertson  
Chantal F Wilson (resigned 17/10/2019) (former Chairman)

#### Presidency

Joint Presidents:

Peter J Field – Lord Lieutenant of East Sussex  
Susan Pyper – Lord Lieutenant of West Sussex

#### Subsidiary Company

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

William Anderson  
Andrew Colquhoun (resigned 17/10/2019) (former Honorary Treasurer)  
John Moore-Bick (appointed 3/12/2019)  
Neil Smith (Honorary Treasurer)

Alex Ingham Clark (Chairman)  
Rob Dillingham  
Carole Robertson  
Chantal F Wilson (resigned 17/10/2019) (former Chairman)

Company Secretary: Angela Croucher (appointed 10/9/2019)

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

#### **4. Strategic objectives**

##### **Target demographic of the charity**

All people living in rural areas of Sussex, but especially those who are at risk of isolation and/or disadvantage, and for whom living in a rural area brings an additional challenge and cost to their daily lives.

##### **Our vision**

Our vision is a rural Sussex that is thriving, economically active and full of choice and opportunities for everyone.

##### **Our mission**

Our mission is to support and empower people in rural Sussex to maintain vibrant and diverse communities through advice, services and practical support, and by representing their interests at a local, regional and national level.

##### **Public benefit**

In shaping our objectives and planning our activities for the year, the trustees have given consideration to the duties set out in section 17(5) of the Charities Act 2011 to have due regard to public benefit and to the Charity Commission Guidance on public benefit. In particular, the trustees have considered how planned activities contribute to the overall aims and objectives they have set, related in detail in the following paragraphs, which describe the benefit that the charity provides to the public.

##### **Risk Management**

The trustees recognise their responsibility for identifying, managing and mitigating all strategic, operational and technical risks facing the charity. AirS also recognises the need to have a planned and systematic approach to risk.

The trustees have adopted a formal policy for risk at both a strategic and operational level.

The comprehensive risk register that is in place is reviewed at every Board meeting.

##### **Involvement by beneficiaries of the charity**

The beneficiaries of the work of AirS 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; those unable to secure affordable housing; people dependent on rural public transport and limited local services, those experiencing isolation and loneliness and those who are dependent on the support of a local community that is undergoing fundamental changes, whilst remaining superficially attractive and prosperous.

We have day-to-day contact with our beneficiaries through our outreach work with communities. In addition to this we canvass users in regular service-oriented surveys and gather their views via housing needs surveys and neighbourhood plan consultations. We participate in rural community networks in both East and West Sussex, and continually seek wider participation from potentially hard-to-reach groups.

In addition to the above, we have introduced free membership of the charity this year in order to encourage more local village organisations and individuals to take part in our formal governance processes.

##### **How do we fund Action in rural Sussex's work?**

We would like to thank everyone who contributes financially in any way to our work with rural communities.

Individuals both join and also make donations. Village organisations, most notably village halls and parish councils, subscribe to our Village Hall and Community Buildings Advisory Service (VHCBAS). Parish councils purchase help from us over local housing initiatives, housing needs surveys, assistance with neighbourhood plans or assistance with local consultation exercises.

Various forms of government - county councils, district councils, government departments and their agencies - fund projects or contribute to our general work with rural communities.

We also secure funding from national and local funders to enable us to deliver specific projects for the benefit of rural communities across Sussex.

In total 259 individuals and organisations have contributed to our work, indicating the diversity of our funding streams, which continues to grow. 32 of these have contributed more than £1,000. We are especially grateful to ESCC and the Big Lottery Fund for their financial contributions to our community based village agents project, and to DEFRA for their support of our VHCBAS service.

We could not exist without your support, and we thank you all on behalf of the rural communities we serve in Sussex, for the tangible difference you are helping us make.

### 5. Review of 2019/20

The main features of the year:

- The charity has delivered against the objectives included within its strategic plan for 2019-2022, along with an operational plan.
- We have expanded our Sussex Community Housing Hub (SCHH), a community led housing enabling service providing technical advice and support to co-operatives, self-build and co-housing groups and projects as well as CLTs, which continues to support groups in East and West Sussex.
- Our Village Agent Scheme, funded by ESCC and Big Lottery, has continued to support innumerable individuals and community groups in East Sussex, tackling social isolation and loss of services.
- We have secured long term funding for the Village Agent scheme which will enable us to support even more rural community groups over a larger geographical area
- We have reviewed our specialist provision of Neighbourhood Planning Services, which continues to work with parishes in both East Sussex and West Sussex, thus ensuring rural residents' voices are heard;
- We have reviewed and expanded our Community Buildings Service so that it remains the source of expertise, advice and support for community buildings across Sussex but offers additional support;
- The rural business network project delivering information sharing and engagement opportunities to businesses across East Sussex was completed.
- Our CEO has represented rural communities at East Sussex Strategic Partnership, Wealden Local Strategic Partnership, East Sussex Voluntary Alliance, Partnership Plus, South East Local Economic Partnership Rural Working Group and is currently involved in numerous Covid-19 planning and response meetings.

### Helping communities plan for the future

For many years we have supported communities to explore their needs and aspirations, through parish action plans and in developing neighbourhood plans.

The Community Planning Service continues to provide ongoing support to 12 parishes all at different stages in the development of their Neighbourhood Plans. 4 of these plans passed examination and have been made (adopted). These are Rye, Herstmonceux, Newhaven and Seaford.

Two plans (Upper Beeding and Henfield) have both passed their neighbourhood plan examination but will have to wait for their referendums to take place in 2021 due to the coronavirus pandemic. One other parish (Send – located in the Guildford Borough) has been completed and submitted to the local authority which has completed its Regulation 16 consultation and is now passing the Plan for examination.

There is intensive ongoing support for five other parishes including West Wittering, Uckfield, Wadhurst, North Mundham and Angmering. We have supported Angmering, North Mundham, Uckfield and Henfield to apply for and secure grants from Locality and in the case of Angmering additional funds from Arun District Council. We have also carried out survey work for North Mundham and Wisborough Green Parish Councils.

Presentations have also been made to Willingdon and Jevington PC and Ninfield PC, both of which expressed interest in exploring the development of neighbourhood planning to address community needs. A review of the AirS Neighbourhood Planning services was undertaken and findings submitted to the board who made the decision for AirS to continue providing this much valued service to communities in Sussex.

### **Community Buildings Service**

During the year, a new team was tasked with the responsibility of delivering the advisory service offered to trustees, management committees and volunteers managing village halls and community buildings across the whole of Sussex: A huge undertaking as, together, East and West Sussex cover nearly 2,000 square kilometres. Overall responsibility was handed to AirS' Community Based Services Lead while a new Facilities Advisor role was created. The Facilities Advisor is a dedicated position appointed to support village halls and community buildings with any support they may need.

In 2019 a strategic decision was taken to redesign the membership and subscription services: the annual charge for membership of AirS was £50 per year. At the end of the 2018/2019 financial year there were 121 AirS' members. The large majority of these were historically village hall members, parish councillors, former and current AirS' Trustees and a very small number (less than 10% of total membership) of members of the public. In a show of goodwill to long standing members and friends of AirS, it was decided to make membership free and to invite people to take out a subscription to the Community Buildings Advisory Service.

The Subscription service did not see an increase in cost for the year although the service will be expanding in the coming year. At year end we had 121 subscribers to the service, an increase of 11% on the previous year.

Two conferences were held in 2019: one in East and one in West Sussex. The conferences proved to very popular with over 70 attendees across both venues. Workshops were held on the topics of Learning lessons from renovations and new builds, Identifying and securing funding and Building management: maximising energy efficiency. Feedback from these workshops was very positive.

During the year we have provided 10 halls with detailed consultancy on a range of issues that require in-depth work. These covered advice on governance arrangements, options appraisals, business plan development, roles and responsibilities of trustees, revised constitutions, updating/rebuilding halls and support for conversion to Charitable Incorporated Organisation (CIO) status. In addition to this we have provided 8 halls with in-depth support with submitting funding applications to the Village Hall Improvement Grant Fund.

### **Community Based Village Agents**

The work of the Village Agent team is informed by the Asset Based Community Development model's principles of being citizen-led, relationship-oriented, asset-based, place-based and inclusion focused. Looking to address the rural priorities identified by the government, the Village Agents support community groups to tackle issues such as social isolation, poor mental health, access to services and the needs of an ageing population.

The Village Agent team worked with over 70 community groups during the year including 25 Good Neighbour Schemes. Work included helping set up new groups, providing networking opportunities, capacity building and supporting fundraising and have been involved in such diverse projects as a wildlife event, art groups, gardening and allotment projects and lunch clubs for the elderly, isolated and vulnerable. This has involved working with a huge number of partners from the charity, statutory and community sectors and is evidence that AirS are the experts in Sussex when it comes to rural community development and have the breadth of knowledge to work across such varying projects with a wide variety of partners.

The team also worked on the Rural Domestic and Sexual Abuse Recovery Project (RDSARP) alongside partner agencies. This project aims to increase the positive space for victims and survivors of domestic and sexual abuse in rural areas to recover and increase their capacity to live positive and healthy lives. This has been such an important project and invaluable for people in rural areas.

The Village Agent team is currently funded by the National Lottery and, for our Good Neighbour Scheme work, East Sussex County Council. We also began a new, five year East Sussex County Council funded, Asset Based project, alongside four other voluntary sector partners.

Having seen the clear benefits of the work of the Village Agents and their extensive local knowledge and experience in helping communities to help themselves, AirS is now the go-to organisation for groups looking for support in rural Sussex. In the coming year we are looking to extend our services to reach a larger geographical area and to support a wider range of community groups.

### **Community Led Housing and the Sussex Community Housing Hub**

The Hub service at AirS has continued to work closely with 25 community led housing groups and projects across East and West Sussex. These are all Community Land Trusts – CLTs - (including one Co-Housing project) and range from small schemes of 4 homes in Ringmer to strategic sites of 1500 in Ford. This reflects the desire of many CLTs to engage in the full spectrum of affordable housing delivery. Two further schemes secured planning consent this past year; Icklesham CLT and Herstmonceux CLT which – along with Angmering CLT all aim to start on site this year and deliver a total of 45 local needs homes.

The Hub has expanded to include two new part time Enablers, Lisa and Polly who have been great additions to the team. These posts were facilitated by the successful grant funds that were secured early in the financial year from Community Led Homes. The Team also has two fully accredited CLH Advisors now in Lisa and Graham. We have also undertaken three Housing Needs Surveys this year in East Hoathly, Kingston and Angmering with plans for several more including the trialling of an on line survey in Hailsham.

Over £400,000 of pre-development grants have also been secured for Sussex CLTs during this time from various sources including the Homes England Community Housing Fund (CHF). The CHF has now come to an end and Sussex CLTs are at the forefront in terms of lobbying to make the case for a renewal of this vital funding stream for the sector.

### **Research and Policy**

During the first quarter of 2019-20, AirS continued to deliver a partnership project with the Let's Do Business Group focused on supporting small businesses in East Sussex. This placed an emphasis on raising awareness of the business support and finance available from Business East Sussex, as well as exploring the best mechanism for encouraging businesses to engage with each other, especially home-based workers, the self-employed and social enterprises.

Numerous networking events were held in various communities, right across the county, attracting attendees from a wide range of business sizes and types. These events provided a valuable opportunity for the sharing of knowledge, experiences and business contacts, as well as signposting to the diverse range of support available.

We have also consistently continued to provide housing needs surveys to provide evidence and information for community housing initiatives throughout the year.

## **6. Developments and changes to activities**

### **Volunteers and Help In Kind**

We rely heavily on time freely given by volunteers in their own communities, and have always encouraged them to contribute in this way rather than directly to us. In 2019/20 we have continued to increase the number of volunteers who do work directly with us, as part of our outreach model for the most vulnerable rural people. For instance, the number of rural good neighbour schemes we are supporting continues to increase.

Many of the projects carried out by us are done as partnership projects to 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 our work is its support of smaller voluntary organisations and charities throughout Sussex, including in their conception and creation. In addition, we work in partnership with a wide range of other voluntary organisations to help rural communities access specialist skills and services, and to disseminate key information. We played an active role in the East Sussex Speak Up process at all levels, engaging with charities across Sussex, and are a key member of the East Sussex Voluntary Alliance to further enhance partnership working among charities of all sizes.

Our work is diverse and as a consequence so are the specialisms of voluntary sector partners that we work with- for instance environmental protection, health, poverty, housing needs, farming, domestic abuse, transport provision, education and infrastructure.

### **Impact beyond the area of benefit**

Our CEO and staff work closely with our national body, ACRE to ensure the voice of Sussex is heard nationally and also that it is strengthened via the national campaigning this offers and the rurality focussed guidance and information it provides.

The Covid-19 pandemic has impacted greatly on the work of AirS both in the short and potentially the longer term.

Whilst we swiftly transferred the entire staff team to remote working and maintained our support to the charity's contacts throughout, as soon the scale of the pandemic became clear, this did cause disruption and additional ICT costs.

The impact on our services of losing the face to face contact and the complex legal issues faced by such areas as community buildings has been significant.

AirS also chose to respond to the crisis by identifying how it could offer additional support to the rural services in need and decided to offer free membership to any community building in Sussex which created a lot of work internally.



The charity is grateful to the staff team for rapidly adapting to using a wide range of online meeting platforms so that their services could be maintained.

Our funders recognised the need to adapt our work to respond to emerging needs and we thank them for their support and flexibility during this time.

Our Village Agents have responded by assisting in rural areas that needed support with creating a local response, providing small grants to new and existing Good Neighbour Schemes and maintaining contact with community groups to provide ongoing support.

Some new projects have had their start dates delayed as a direct result of the pandemic due to their face to face project design or the loss of construction project progression. Whilst these are delays in income they will still proceed so do not represent a loss in income.

The impact of the pandemic on the Housing Hub is harder to predict at this stage as whilst the need for affordable housing remains topical, there are delays on planning aspects, but overall progress has been maintained.

The CEO has had to dedicate the majority of her time to participating and contributing to Covid-19 response meetings across Sussex to ensure that the rural voice is heard and that AirS services are adapted where possible - this time is unfunded so paid for from the charity's reserves.

The Board recognise that the charity was fortunate to be in such a financially robust position when the outbreak started and will be considering this when revisiting their policy on the correct level of reserves in due course.

The Board will also be taking into account the devastating impact the virus has had on social enterprises and charities reliant on retail income and fundraising events when deciding their investment strategy and designations.

Future plans will also reflect the emerging needs of rural communities once Government interventions cease and the true scale of the impact across Sussex is clearer.

## **7. 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.

### **Restricted Funds**

The detail of the restricted fund activity is set out in Note 12 to the accounts (page 21). Where individual projects show a deficit on completion or termination, this has been made good from unrestricted funds.

### **Overhead Recovery**

The totals shown in the SOFA and in Notes 11 & 12 to the accounts include overhead recovery.

### **Free Reserves**

The total funds (reserves) of the charity, as represented by net assets in the balance sheet, amount to £1,932,140 before an exceptional item relating to the Pensions Trust of -£76,033, set out in detail in Note 13. 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 the 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 £121,217. In addition, resources invested in funds designated by the trustees for particular projects or purposes total a further £1,208,000 leaving an operating free reserve of £602,923 before the Pensions Trust exceptional item described above. The trustees have taken the view that both the long term and dynamic nature of this liability dictates that the operating free reserve is defined prior to the deduction of this liability.

### Reserves policy

The Board of Trustees has developed this reserves policy to cover the ongoing employee commitments, ensure business continuity and allow for its investment in developing sustainable income streams, contingent liabilities, working capital requirements and also to take account of its annual risk review. Due to the additional working capital constraints associated with the ongoing Covid 19 pandemic, the policy of Action in rural Sussex is to keep an operating free reserve with a minimum balance of £422,000, to reflect the above costings. At the balance sheet date the operating free reserve at £602,923 was greater than the target amount and minimum acceptable balance. At this level, trustees are confident that they have scope to take action to mitigate emerging risks and invest in sustainable income generation. The free reserve is maintained primarily in case Action in rural Sussex suffers a sudden and unforeseen contraction of activities.

This is mitigated through full cost recovery budgeting, accurate forecasting, advantageous contract negotiation where possible and careful treasury management. 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 confirms 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. Trustees will annually review the reserves policy in the light of a continuing shift in funding profile, and the linked investment in strategic and business development.

### 8. Statement of trustees' responsibilities

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity Statement of Recommended Practice;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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:

Alex Ingham Clark  
Chairman



Date: 16th September 2020

Neil Smith  
Honorary Treasurer



Date: 16th September 2020

**Independent examiner's report to the trustees of Sussex Rural Community Council**

I report to the charity trustees on my examination of the accounts of Sussex Rural Community Council (the Trust) for the year ended 31st March 2020.

**Responsibilities and basis of report**

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent examiner's statement**

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Institute of Chartered Accountants in England and Wales which is one of the listed bodies.

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 Thacker FCA DChA  
Chartered Accountant  
Chariot House Limited  
Chartered Accountants  
44 Grand Parade  
Brighton  
East Sussex  
BN2 9QA

Date: 28 September 2020

## Statement of Financial Activities (SOFA) for the year ended 31 March 2020 (incorporating Income &amp; Expenditure Account)

	Note:	Unrestricted Funds £	Restricted Funds £	Designated Funds £	2020 Total £	2019 Total £
<b>Income and endowments from:</b>						
Donations, legacies & membership		8,358	-	-	8,358	6,677
Income from investments		8,259	-	-	8,259	11,759
Other income		-	-	-	-	1,147,750
<b>Charitable activities</b>	2					
<i>Grants &amp; contracts for operational programmes by aim:</i>						
Tackling rural disadvantage		221,492	233,864	-	455,356	433,365
Building community capacity & resilience		75,576	10,726	-	86,302	198,396
Rural voice		73,687	-	-	73,687	66,545
<b>Total</b>		<b>387,372</b>	<b>244,590</b>	<b>-</b>	<b>631,962</b>	<b>1,864,492</b>
<b>Expenditure on:</b>	3					
<b>Charitable Activities</b>						
<i>Expenditure on operational programmes, by aim:</i>						
Tackling rural disadvantage		169,982	210,322	-	380,304	433,002
Building community capacity & resilience		80,632	19,205	-	99,837	145,204
Rural voice		69,004	-	-	69,004	79,756
<b>Total</b>	11/12	<b>319,618</b>	<b>229,527</b>	<b>-</b>	<b>549,145</b>	<b>657,962</b>
<b>Net Income/Expenditure Before Transfers</b>		67,754	15,063	-	82,817	1,206,530
<b>Transfer Between Funds</b>	11/12	(370,753)	-	370,753	-	-
		(302,999)	15,063	370,753	82,817	1,206,530
<b>Exceptional item</b> Growth plan pension scheme exceptional adjustment	13	16,202	-	-	16,202	(28,858)
<del>Reconciliation of funds</del>		<del>(286,797)</del>	<del>15,063</del>	<del>370,753</del>	<del>99,019</del>	<del>1,177,672</del>
<b>Fund Balances Brought Forward at 1 April 2019</b>		813,687	106,154	837,247	1,757,088	579,416
<b>Fund Balances Carried Forward at 31 March 2020</b>		<b>526,890</b>	<b>121,217</b>	<b>1,208,000</b>	<b>1,856,107</b>	<b>1,757,088</b>

All amounts relate to continuing activities.  
The notes on pages 16 to 22 form part of the financial statements.

## Balance Sheet at 31 March 2020

	Note:	Unrestricted Funds £	Restricted Funds £	Designated Funds £	2020 Total £	2019 Total £
<b>Fixed Assets</b>						
Tangible Assets	8	1,254	-	-	1,254	3,176
Investments	6	2	-	-	2	2
<b>Current Assets</b>						
Debtors	9	30,525	-	-	30,525	43,724
Cash at bank and in hand		709,646	125,472	1,208,000	2,043,118	2,104,588
		740,171	125,472	1,208,000	2,073,643	2,148,312
<b>Creditors: amounts falling due within one year</b>	10	(138,504)	(4,255)	-	(142,759)	(302,167)
<b>Net Current Assets</b>		601,667	121,217	1,208,000	1,930,884	1,846,145
<b>Creditors: amounts falling due within more than one year</b>	13	(76,033)	-	-	(76,033)	(92,235)
<b>Total Assets less Total Liabilities</b>		<b>526,890</b>	<b>121,217</b>	<b>1,208,000</b>	<b>1,856,107</b>	<b>1,757,088</b>
<b>Net Assets represented by:-</b>						
Restricted Funds	12	-	121,217	-	121,217	106,154
Non-Designated Unrestricted Funds	11	602,923	-	-	602,923	905,922
Exceptional item – pension scheme deficit	13	(76,033)	-	-	(76,033)	(92,235)
Designated Funds	11	-	-	1,208,000	1,208,000	837,247
		<b>526,890</b>	<b>121,217</b>	<b>1,208,000</b>	<b>1,856,107</b>	<b>1,757,088</b>

The notes on pages 16 to 22 form part of the financial statements.

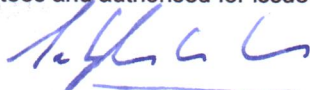
The company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31 March 2020. The members have not required the company to obtain an audit of its financial statements for the year in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring the company keeps accounting records which comply with sections 386 and 387 of the Companies Act 2006 and preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its surplus and deficit for each financial year in accordance with the requirements of section 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements, so far as applicable to the company.

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

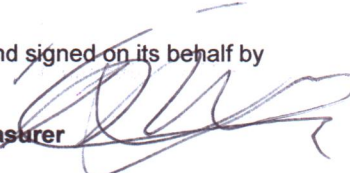
Approved by the Board of Trustees and authorised for issue on 16<sup>th</sup> September 2020 and signed on its behalf by

Alex Ingham Clark  
Chairman of Trustees



Company no: 2907172

Neil Smith  
Honorary Treasurer



## Cash flow statement for the year ended 31 March 2020

	Notes	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>(69,729)</u>	<u>(87,169)</u>
Net cash provided by (used in) operating activities		<u>(69,729)</u>	<u>(87,169)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		-	(1,766)
Sale of tangible fixed assets		-	1,515,000
Interest received		<u>8,259</u>	<u>11,759</u>
Net cash provided by (used in) investing activities		<u>8,259</u>	<u>1,524,993</u>
Change in cash and cash equivalents in the reporting period		(61,470)	1,437,824
Cash and cash equivalents at the beginning of the reporting period		<u>2,104,588</u>	<u>666,764</u>
Cash and cash equivalents at the end of the reporting period		<u>2,043,118</u>	<u>2,104,588</u>

## Notes to the cash flow statement for the year ended 31 March 2020

## 1 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2020 £	2019 £
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	82,817	1,206,530
Adjustments for:		
Depreciation charges	1,922	1,922
Surplus on sale of assets	-	(1,147,750)
Interest received	(8,259)	(11,759)
Decrease in debtors	13,199	348
Increase in creditors	<u>(159,408)</u>	<u>(136,460)</u>
Net cash provided by (used in) operating activities	<u>(69,729)</u>	<u>(87,169)</u>

Notes forming part of the financial statements for the year ended 31 March 2020

**1 Accounting policies**

*Basis of preparing the financial statements*

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of freehold buildings.

The financial statements are presented in Sterling which is the Company's functional currency.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

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 398 of the Companies Act 2006 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 probable 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. Where grants are received during the year under review but relate to a later period, the amount is deferred under Deferred Income in the Balance Sheet (note 10).

*Resources expended*

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure, including attributable VAT which cannot be recovered.

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.

*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 - Straight line basis over the shorter of 4 years or the duration of the project

*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.



**Notes forming part of the financial statements for the year ended 31 March 2020**
**1 Accounting policies (continued)**
*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.

*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.

*Exceptional Items*

When items of income and expense are material, their nature and amount is disclosed separately, either on the face of the Statement of Financial Activities or in the Notes to the Accounts, depending on how significant the items are to an understanding of the Charity's financial performance.

**2 Incoming Resources from Charitable Activities**

<b>Major Restricted Income by Source</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Big Lottery	111,922	109,950
East Sussex County Council	37,857	68,560
Groundwork UK	71,645	-
Inspire Leisure	-	100,000
Lewes District Council	3,500	3,500
Mid Sussex District Council	9,726	9,550
Rother District Council	-	1,000
SCDA	9,940	5,560
	<b>244,590</b>	<b>298,120</b>

**3 Total charitable expenditure**

	<b>Staff Costs</b>	<b>Other Direct Costs</b>	<b>Total 2020</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Costs of charitable activities	390,809	158,336	549,145	657,962
	390,809	158,336	549,145	657,962

Notes forming part of the financial statements for the year ended 31 March 2020

Support costs of £123,760 (2019: £161,761) have been allocated across all resources expended using a Full Cost Recovery system which charges support costs to projects based on full-time equivalent headcount. These costs comprise of central functions costs (ICT, finance, HR, training, administration), premises costs (rent, rates, utilities) & governance costs.

**4 Staff Costs**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Included in total resources expended are the following costs:		
Wages and salaries	345,840	373,912
Redundancy costs paid during the year	-	6,652
Social security costs	30,273	31,608
Other pension costs	14,696	17,444
	<u>390,809</u>	<u>429,616</u>

	<b>Number</b>	<b>Number</b>
The average weekly number of employees (full time equivalent) during the year was as follows:	<u>11</u>	<u>11</u>
The average weekly number of employees during the year was as follows:	<u>15</u>	<u>14</u>

There were no employees whose annual emoluments were £60,000 or more.

	<b>£</b>	<b>£</b>
The remuneration paid to key personnel (including NICS & pension costs) amounted to:	<u>94,126</u>	<u>130,350</u>

No accrual has been made for holiday and sick pay as the amount was deemed to be immaterial.

Each salary scale has a number of incremental pay points which are linked to the points on the Local Government Service Salary Scales.

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 and training expenses of £298 (2019: £220) were reimbursed to 3 trustees during the year.

Notes forming part of the financial statements for the year ended 31 March 2020

**5 Comparatives (2019) for the Statement of Financial Activities**

	Unrestricted Funds £	Restricted Funds £	Designated Funds £	2019 Total £
<b>Incoming and endowments from:</b>				
Donations, legacies & membership	6,677	-	-	6,677
Other trading activities	-	-	-	-
Income from investments	11,759	-	-	11,759
Other income	1,147,750	-	-	1,147,750
<b>Charitable Activities</b>				
<i>Grants &amp; contracts for operational programmes by aim:</i>				
Tackling rural disadvantage	246,795	186,570	-	433,365
Building community capacity & resilience	86,846	111,550	-	198,396
Rural voice	66,545	-	-	66,545
<b>Total</b>	<b>1,566,372</b>	<b>298,120</b>	<b>-</b>	<b>1,864,492</b>
<b>Expenditure on:</b>				
Raising funds	-	-	-	-
<b>Charitable Activities</b>				
<i>Expenditure on operational programmes, by aim:</i>				
Tackling rural disadvantage	260,306	172,696	-	433,002
Building community capacity & resilience	113,713	31,491	-	145,204
Rural voice	79,756	-	-	79,756
<b>Total</b>	<b>453,775</b>	<b>204,187</b>	<b>-</b>	<b>657,962</b>
<b>Net Income/(Expenditure) Before Transfers</b>	1,112,597	93,933	-	1,206,530
<b>Transfer Between Funds</b>	(434,083)	-	434,083	-
	678,514	93,933	434,083	1,206,530
<b>Exceptional item</b> Growth plan pension scheme exceptional adjustment	(28,858)	-	-	(28,858)
<b>Reconciliation of funds</b>	649,656	93,933	434,083	1,177,672
<b>Fund Balances Brought Forward at 1 April 2018</b>	164,031	12,221	403,164	579,416
<b>Fund Balances Carried Forward at 31 March 2019</b>	<b>813,687</b>	<b>106,154</b>	<b>837,247</b>	<b>1,757,088</b>

**6 Net Profit / Loss of Subsidiary**

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

	2020 £	2019 £
Expenditure and Net Profit / (Loss)	-	-
Called up share capital	2	2
Profit and loss account	-	-
Net Assets	2	2

Notes forming part of the financial statements for the year ended 31 March 2020

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.

**7 Net Income / (Expenditure)**

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

	2020	2019
	£	£
Depreciation – owned assets	1,922	1,922
Surplus on sale of assets	-	1,147,750
Auditors' remuneration	-	4,850
Independent Examiner's remuneration	2,500	-
	<u>2,500</u>	<u>-</u>

**8 Tangible fixed assets**

	Furniture, Fixtures and Equipment £
<i>Cost or Valuation</i>	
At 1 April 2019	7,690
Additions in the year	-
Disposals in the year	-
	<u>7,690</u>
<i>Depreciation</i>	
At 1 April 2019	4,514
Provided for the Year	1,922
Disposals in the year	-
	<u>-</u>
At 31 March 2020	<u>6,436</u>
<i>Net Book Value</i>	
At 31 March 2020	<u><u>1,254</u></u>
At 31 March 2019	<u><u>3,176</u></u>

In the previous year the charity sold its freehold property and is currently renting while a long term strategy for the proceeds is formulated.

**9 Debtors**

	2020	2019
	£	£
<b>Amounts falling due within one year:</b>		
Grants and other debtors	27,023	37,945
Prepayments	3,502	5,779
	<u>30,525</u>	<u>43,724</u>

## Notes forming part of the financial statements for the year ended 31 March 2020

## 10 Creditors: amounts falling due within one year

	2020 £	2019 £
Other Creditors	2,162	7,013
Accruals & Deferred Income*	124,468	255,401
Taxation & Social Security	11,862	19,832
The Pensions Trust	4,267	19,921
	142,759	302,167

Deferred income includes forward funding of the Sussex Community Housing Hub

## 11 Unrestricted funds

	Balances at 1 April 2019 £	Incoming Resources £	Resources Expended £	Exceptional Item £	Transfers £	Balances at 31 March 2020 £
<b>Designated Funds:</b>						
Relocation Reserve	750,000	-	-	-	(250,000)	500,000
Sussex Community Housing Hub	47,356	-	-	-	44,660	92,016
Staffing Contingency Reserve	14,891	-	-	-	(14,891)	0
IT Rolling Replacement Fund	25,000	-	-	-	(7,000)	18,000
Recruitment Fund					63,000	63,000
Development Fund					534,984	534,984
<b>Total Designated Funds</b>	<b>837,247</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>370,753</b>	<b>1,208,000</b>
General Fund	905,922	387,372	(319,618)	-	(370,753)	602,923
Exceptional item - pension scheme deficit	(92,235)	-	-	16,202	-	(76,033)
	<b>1,650,934</b>	<b>387,372</b>	<b>(319,618)</b>	<b>16,202</b>	<b>-</b>	<b>1,734,890</b>

The exceptional item refers to the additional contributions to be levied by The Pensions Trust as detailed in note 13. The sum of £76,033 is the amount due over the 3 years from Apr 2020 – Mar 2023, which may be revised.

## 12 Restricted Funds

	Balances at 1 April 2019 £	Incoming Resources £	Resources Expended £	Balances at 31 March 2020 £
Aim 1: Tackling Rural Disadvantage	26,095	233,864	(210,322)	49,637
Aim 2: Building Community Capacity & Resilience	80,059	10,726	(19,205)	71,580
Aim 3: Rural Voice	-	-	-	-
<b>Totals</b>	<b>106,154</b>	<b>244,590</b>	<b>(229,527)</b>	<b>121,217</b>

### Notes forming part of the financial statements for the year ended 31 March 2020

#### 13 Pension Scheme

Sussex Rural Community Council is a participating employer in the Growth Plan operated by The Pensions Trust to provide pension benefits for members of staff. This scheme is a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The triennial actuarial valuation as at 30 September 2017 showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m so the Growth Plan is in deficit. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme over a period of twelve years, which commenced in April 2013.

For Sussex Rural Community Council, the additional contributions are to be levied at the original rate of £11,998 in the first year (2013-14) with an increase of 3% per annum thereafter, subject to revision. Full provision for the revised total amount has been made in these accounts. Sussex Rural Community Council has been notified that the latest estimated employer debt on its withdrawal from the Growth Plan would be £197,905 (2019: £187,486). A number of employees remain as active members of the Growth Plan and there is no intention to withdraw from the Plan in the foreseeable future. In the event that Sussex Rural Community Council did withdraw, its employer debt would be recalculated and would take into account the additional contributions made under the Recovery Plan.

#### 14 Related party transactions

At 31 March 2020, £0 (2019: £0) was owed by SRCC (Trading) Limited, a subsidiary company.

The former Chief Executive of AirS, Jeremy Leggett, is a trustee of Action with Communities in Rural England (ACRE), our national umbrella organisation, from whom we received grant funding of £50,095 in 2020 (2019: £51,545).

#### 15 Corporation tax

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Taxes 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 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 and the subsidiary company has made sufficient covenant / gift aid payments to the parent charity to extinguish any liability to corporation tax.