

Company number 02907172
Charity number 1035401

Sussex Rural Community Council
(Limited by Guarantee)

Report and Financial Statements
for the year ended 31 March 2021

Breckman & Company Ltd
Chartered Certified Accountants
49 South Molton Street
London W1K 5LH

Sussex Rural Community Council

(Limited by Guarantee)

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Reference and Administrative Details

Constitution

The company is incorporated under the Companies Act, company number 02907172 and its governing document is its Memorandum and Articles of Association. The company is a registered charity, number 1035401.

Directors and trustees

The directors of the charitable company (Sussex Rural Community Council) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees during the year and since the year end, were :

Carole Robertson resigned 7 July 2020
Alex Ingham Clark - Chair
Rob Dillingham
Sandra Jill Llewellyn appointed 8 October 2020
John Moore-Bick
Neil David Smith
William Anderson

Interim CEO/day to day management

Steven Haasz

Independent Examiners

Breckman & Company Ltd, 49 South Molton Street, London W1K 5LH.

Bankers

Barclays Bank plc, The Old Bank , High Street, Lewis, 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.

Solicitors

Christmas Ogden & Company Solicitors, Howard Cottage, Broomans Lane, Lewes, East Sussex BN7 2LT.

Registered office and operation address

Waterside Centre Suite F1, North Street, Lewes BN7 2PE.

Name

" Action in rural Sussex (AirS)" is the trading name used by Sussex Rural Community Council.

Sussex Rural Community Council

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AIRS CHAIR OF THE BOARD REPORT April 2020 to March 2021

The COVID 19 lockdown started just 3 weeks before the end of our last 2019-2020 reporting period and continued to have a very dramatic impact during 2020-2021. Our thoughts go out to all the people of Sussex that have been impacted by the pandemic, whether that is due to the death or illness of a loved one, to hardship due to being furloughed or to a range of other issues, great and small, that arose from this unprecedented situation.

It is not surprising that AirS has been significantly impacted by the pandemic during the period 2020-2021 as have our funders, partners and beneficiaries. At best, our normal ways of working have been limited or changed. At worst, some services had to stop altogether, and some AirS staff had to be put on furlough for a period of time. I am very proud that despite these very significant headwinds, AirS was able to continue to provide valuable services to our beneficiaries and in some cases to adapt these services to meet the very particular circumstances and challenges presented by Covid.

In addition to the challenges presented by the pandemic, AirS has also had to weather additional challenges closer to home. Our Chief Executive Petrina Mayson retired due to ill health in August 2020. My fellow Trustees and I would like to thank Petrina for her leadership during the time she was in post and particularly for the sterling work that she and the AirS team put in as the pandemic and lockdown took hold. We wish her all the best for her retirement. After an extended search we appointed Gordon Ackroyd as the new Chief Executive in December 2020 but I regret to say that Gordon resigned in September 2021. I want to thank Gordon for his efforts whilst in post and wish him every success in the next stage of his career.

At the time of writing, Steven Haasz is acting as our interim CEO and is charged with restoring stability, managing the organisation, leading a strategic review and an overhaul of our policies and processes. Steven has made a very positive start and we have every confidence in him and the team.

This year we have had one new Trustee join our Board: Sandra Llewelyn, a former consultant and advisor with many years' experience in financial services who has already made an impact with her rigorous approach to Governance. Sandra, thank you for your support.

AirS continues to be dependent on statutory sector funding. The extended period of the pandemic and the associated economic impacts will see continued pressure on statutory bodies and other funders. Charities like Airs will need to work even more closely with local authorities, funders and coordinating bodies to ensure that we remain connected and aligned to their priorities.

The Trustees have committed to undertake a strategic review, to assess the challenges faced by rural communities in Sussex – both 'pre-Covid' challenges and new – and to refresh and revise our services considering these challenges and the evolving needs of statutory bodies and funders. At the time of writing, the COP26 summit is ongoing, and any long-term strategy will also need to acknowledge and address the challenges and widespread implications presented by Climate Change and the evolving UK Government Policy and societal shifts which are still uncertain as they relate to rural communities.

This forward-looking strategic review will help inform a number of key issues for AirS including:

- how to leverage best practice from other voluntary sector bodies both in Sussex and across the UK
- how to evolve our services to remain relevant to beneficiaries, funders and stakeholders
- how to ensure synergy between our services such that 'the whole is greater than the sum of the parts'
- how to develop our approach to funding to ensure sustainability and successful achievement of strategic aims

- how to deploy the capital receipt from the sale of Sussex House – whether to fund specific issues/assets or a more general ‘investment for income’ approach.

Our overall strategic intention is that AirS remains able to address the real needs of rural communities and is fully aligned with the priorities of statutory bodies and funders – today and in the years to come.

During this busy and complex 2020-2021 period, the AirS staff 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 in the months and years ahead as we help rural communities to bounce back from the pandemic and its implications for rural economies, rural community cohesion and resilience and for individual mental health. A huge amount of work has been done to enable us to maintain the standard of work that we do and communications both internally and externally. I wish to thank them all again for this tremendous effort they have all shown in this unprecedented time.

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

Housing and Planning

The Sussex Community Housing Hub has continued to support a pipeline of some 27 community led housing groups and projects throughout this time, a task made easier with the addition of another Housing Enabler to the team (Polly Eason) which now consists of three fully accredited Community Led Housing Advisors. We have maintained the momentum with these groups in spite of these challenging times, including via our very well received series of Webinars, which have covered a range of topics such as Funding and Finance, Planning Changes (rural and community led implications) and good practice in Community Engagement.

Establishing new groups as strong and viable entities to take forward local needs housing projects has been testing at times during the past year. Despite this, solid new groups have emerged as CLTs in Firle and Battle and a Co-Housing group called Future Folk who have a strong commitment to low impact, sustainable housing and living. This chimes well with our objectives as a Housing Hub in promoting and supporting the delivery of sustainable development.

With 3 housing schemes having now secured planning consent we will see at least 2 of them starting on site this year, Icklesham Community Land Trust (CLT) and Angmering CLT in East Sussex providing 27 affordable homes available for local people in perpetuity. The third, Herstmonceux CLT providing 18 homes, has been delayed due to the impact on build costs and supply chains that have arisen in light of both Covid -19 and Brexit. The Hub has supported all these exciting community led housing projects with successful applications for more than £400,000 predevelopment costs and capital grants in excess of £1.4M.

A successful community led housing project often needs a strong housing association or registered provider (RP). We have noted a strategic challenge for some projects due to the absence of a willing RP – whether due to perceived complexity of community projects or due to the small size and perception that there are ‘easier pickings’ to be made with larger commercial projects. This is a strategic issue that we intend to research, and ideally address, in the 2021-2022 period.

The absence of a renewed Community Housing Fund (CHF) - the national programme of grants to support the sector – has also caused some consternation amongst Sussex CLTs, but we are confident that the CHF will be renewed, and we continue to campaign on this crucial issue. There is a good deal of momentum around community led housing in Sussex and thus considerable support for it amongst key decision makers including several local MPs, which is much appreciated.

Neighbourhood Planning work slowed for some parishes during Covid crises. Nonetheless, several kept up the pace with online meetings, workshops and consultations. Three Neighbourhood Plans that passed examinations in 2019/20 had their referendums postponed due to the pandemic. All three have now passed and been adopted by their respective Local Planning Authorities (Upper Beeding, Henfield and Send).

During this time, the Housing and Planning Team also began to explore wider issues in relation to community led planning. The impact of the pandemic has caused many to reflect on the bigger picture and their role in addressing issues of community resilience; climate change and adaptability, nature recovery and biodiversity, local food supply, regenerative agriculture and supporting a circular economy. We are keen to support those who are interested in or indeed already engaged in such projects and will be focussing on this in the year ahead, identifying partners to work with and projects on which to collaborate.

Village Halls and Community Buildings Service

It has been a very difficult year for village halls and community buildings. Because of COVID, building managers and management committees were often unsure of what activities – if any - they were allowed to continue. During the pandemic, Action in Rural Sussex has issued regular updates on permitted activities, and these were updated over 40 times in line with government guidelines. These updates were made available on our website and on our online 'Basecamp' discussion forum.

Our Basecamp forum has been invaluable during the pandemic. It is a place for halls to share information and advice, templates for risk assessments and, most importantly, to communicate with other hall committees across the county for peer support, encouragement and advice. We currently have over 200 individual users on Basecamp; most of these are from Sussex village hall committees but there are also some voluntary sector partners, Local Council staff and colleagues from other Rural Community Councils around the country. During the year there have been over 120 active conversations or threads happening on the Basecamp forum message board covering a wide range of topics including COVID safety checks for halls, building legislation, renewable energy, and fundraising. During this period, we have had approx. 1,800 engagements with Basecamp from halls, equating to over 150 per month. We have also supported halls across Sussex to carry out risk assessments and ensure that buildings were safe to use when people were slowly allowed back in.

A major challenge for halls during the year has been funding: As many buildings lost their income during this time, we have supported them to find additional finance through other funding sources. During the year, we helped halls in Sussex access over £250k from the Village Hall Improvement Grant Fund. We also gave a free six-month subscription to the advisory service so that no hall would miss out on our support. We are pleased to confirm that an additional 30 halls took advantage of this free service, and many have stayed with us after this time. During the year, through our sustained efforts to remain proactive, we increased the number of subscribers to the service to over 160; the largest number we have seen.

While many halls were closed, they took the opportunity to carry out any building or administrative work that was needed and our consultancy service was busier than ever. In this year, through our halls consultant Louise Beaton, we supported 12 halls with in-depth consultancy on a range of topics including governance, building regulations and changes in charity status.

With the continued advice and guidance from the Sussex Community Buildings Advisory Group (SCBAG) a group whose membership is drawn from village halls committees around East and West Sussex, we continue to canvas the needs and aspirations of our halls, and this allows us to offer the most appropriate and timely support possible.

The period 2020-2021 has been a most challenging year for village halls: As we all know, village halls are the heart of any community, and many have been forced to the point of closure by the effects of the pandemic. Most halls rely on hire charges for their income. With most activities stopped during the crisis, halls have run down any reserves they had and now need to find alternative sources of funding. At Action in Rural Sussex, we have been supporting halls to find new ways of generating income, including helping halls write funding applications and looking at diversifying activities (becoming business and digital hubs), looking at installing electric vehicle charging points and providing additional services.

This is a crucial time for village halls. Many people see them as a constant and reassuring presence in the community; some halls have been in existence for over 100 years. Unfortunately, some people will not miss them until they are gone. Due to covid-restrictions, many groups have made the move to online meetings where they would have previously used their local village hall. Whilst this is practical in some instances, such as during bad weather or for people with disabilities or health issues, there is no replacement for the human contact that a face-to-face meeting in a hall gives. That's why we at AirS are doing all we can to make sure halls survive this crisis and thrive going forward.

Community Based Services

During the year we moved ahead with our two major projects while closing the file on three others. Our two major projects now are the Lost Woods environmental project, largely in West Sussex, and the Making it Happen project in the Wealden district of East Sussex.

Lost Woods is 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. Lost Woods was officially launched in July 2020 and by October 2020 we had recruited a full complement of staff (a team of five, all part-time). The aim of the AirS component of this project is to encourage community groups to protect and preserve their local environment. Sadly, but unsurprisingly, COVID had a significant detrimental impact on the initial part of this project. The AirS Village Agents, who were responsible for making links with community groups, were unable to travel to villages in the autumn, and in Spring were furloughed for 3 months. Overall though, at the time of writing (Autumn 2021), we are very satisfied with the contacts we have been able to make, and the progress we have made.

The Making it Happen project has been similarly affected by COVID. AirS has three part-time Village Agents supporting this project through community activities in four medium-sized towns (Uckfield, Hailsham, Polegate and Crowborough). The Village Agents were unable to visit these communities as often as they would have liked at the start of the project. However, they have been able to give continued advice, provide signposting, and assist with small grants.

On 31st December 2020 the AirS 'Reaching Communities' project ended, and we provided the funder (The National Lottery) with a well-received 'end of project' report in Spring 2021. Two further old projects, where we had some residual funds, came to an end in March 2020 and we closed out the accounting with East Surrey County Council. This ended our long support for Good Neighbour Schemes (GNS) in small villages.

Alex Ingham Clark
Alex Ingham Clark (Nov 29, 2021 20:55 GMT)

Alex Ingham Clark – Chair

24 November 2021

Trustees' report April 2020 – March 2021

1. Introduction

The trustees present their annual report together with the financial statements of the charity for the year ended 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The reference and administrative details set out on page 1 form part of this report. The financial statements comply with Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and 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 2019).

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 the 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	Alex Ingham Clark (Chair)
Rob Dillingham	John Moore-Bick
Neil Smith (Honorary Treasurer)	Sandra Llewellyn (appointed 08/10/2020)

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Presidency

Joint Presidents:

Sir Peter J Field – former 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

Alex Ingham Clark (Chair)

Rob Dillingham

John Moore-Bick

Neil Smith (Honorary Treasurer)

Sandra Llewellyn (appointed 08/10/2020)

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 for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity (PB2).

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 and gather their views via housing needs surveys and neighbourhood plan consultations. We also 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 introduced free membership of the charity in order to encourage more local village organisations and individuals to take part in our formal governance processes.

We are also considering whether some representatives of disadvantaged groups or rural community organisations could be recruited onto the board to increase the involvement of beneficiaries.

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 East Sussex County Council and the Big Lottery Fund for their financial contributions to our community-based village agents project, and to DEFRA for their support of our Village Hall service.

Successful applications were submitted to Lewes and Mid Sussex District Councils for continued support for our Village Hall Service while we were unsuccessful with a bid to the Prince's Countryside Fund for funding to begin a digital inclusion project for later life residents.

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 2020/21

The main features of the year:

- The dominant feature of 2020 and 2021 was the coronavirus pandemic. Many of the AirS staff during this period worked at home which necessitated continuous adaptations to working practices.
- In general, it can be said that it is a huge challenge for an agency that focusses on Community Development to carry out most of its work while not being able to visit communities! The staff all found 2020/21 to be highly challenging year.
- In Spring 2020, Petrina Mayson - our then CEO - sadly became ill and took sick-leave. In July 2020 Petrina left the organisation. There was then a hiatus of six months without a CEO. Gordon Akroyd started work at Christmas 2020. The early months of 2021 were taken up by CEO induction and a series of meetings between the CEO and external donors and partners.
- We have expanded our Sussex Community Housing Hub (SCHH), a community led housing enabling service providing advice and support to co-operatives, self-build and co-housing groups as well as Community Land Trusts (CLTs). The Hub continues to support projects in East and West Sussex. Our first CLT scheme is now on-site in Icklesham (15 affordable homes).
- Our Village Agent Scheme, funded by ESCC and Big Lottery, continued to support individuals and community groups in East Sussex, tackling social isolation and loss of services.
- A new Village Agent scheme began, largely in West Sussex, and new staff were recruited for this project (the Lost Woods project).
- 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 guidance for community buildings across Sussex but offers additional support via our online 'Basecamp' forum and message board where over 200 individuals come together to offer peer support, local knowledge and advise and to share best practice.
- Our CEO and Senior Management have represented rural communities at East Sussex Strategic Partnership, Wealden Local Strategic Partnership, East Sussex Voluntary Alliance, Partnership Plus, Southeast Local Economic Partnership Rural Working Group, Sussex Local Nature Partnership, and has been 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.

Neighbourhood Planning work slowed for some parishes during Covid crises which compelled most parish and town councils to switch priorities. Nonetheless, we continued working with our communities, providing intensive support to Ninfield, West Wittering (as they held their first Regulation 14 consultation) and Wadhurst who were finalising their plan for Regulation 14 consultation as well. We supported these groups through online meeting, workshops and consultations. Uckfield, North Mundham and Angmering required very little support during this period.

Three of our neighbourhood plans that passed examinations in 2019/20 had their referendums postponed due to the pandemic. The referendums finally took place in May 2021 with all three being passed with overwhelming support. These plans have now formed part of the various Districts and Borough Council's Development Plans

Henfield	– Yes votes	-	2,085 (90.53%)
Upper Beeding	– Yes votes	-	999 (85.24%)
Send	– Yes votes	-	1322 (82%)

We also worked with several communities including Forest Row, Nuthurst and Send in undertaking various surveys with residents to identify new community projects, gather views on the current and future use of existing community facilities and identify the gaps. The various parish councils encouraged resident's views on how to generate funds to implement projects as well as prioritising limited resources to maximise community benefits

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 thorough review of the AirS Neighbourhood Planning services was undertaken, and findings submitted to the AirS Board where a decision was made for AirS to continue providing this much valued service to communities in Sussex.

During this time, the Team also began to explore wider issues in relation to community led planning. The impact of the pandemic has caused many to reflect on the bigger picture and their role in addressing issues of community resilience; climate change and adaptability, nature recovery and biodiversity, local food supply, regenerative agriculture and supporting a circular economy. We are keen to support those who are interested in or indeed already engaged in such projects and will be focussing on this in the year ahead, identifying partners to work with and projects on which to collaborate.

Community Buildings Service

The Village Hall and Community Buildings Advisory Service exists to support 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 have nearly 300 village halls and many more scout huts, sports clubs and other community buildings over an area of nearly 2,000 square kilometres.

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The cost of subscription to the service remained at £144 per year and at year end we had 158 paid subscribers, an increase of 30% on the previous year.

The greatest challenge facing the service and every hall and community building during the year was, of course, The COVID pandemic.

All halls and community buildings except those providing emergency services experienced long periods of closure which led to much uncertainty for halls. Many halls found that the guidance coming out of government for communities was not relevant to the services they provided. During the year our service issued over 45 updates for halls as to what they were permitted to do along with risk assessment health and safety templates.

At the beginning of the pandemic, we offered six months free subscription to the service so that no halls would miss out on important updates and information. All existing subscribers were included in this, and an additional 30 halls took us up on this offer.

Due to the pandemic and following consultation with our Sussex Community Buildings Advisory Group (SCBAG) it was decided to postpone the annual conference until we were allowed to hold the event 'in person' Feedback we were getting from halls was that they valued the personal contact and the networking opportunities that a 'live' conference offered, and they felt a virtual conference would not be the same.

Whilst we held several online Q and A sessions around the interpretation of government guidance for halls, it was decided to postpone the conference until we were confident it would be allowed to go ahead as a live event.

With the enforced closure of halls, many management committees took the opportunity to look at their operation and during the year we were called upon to provide 15 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.

Community Based Village Agents

AirS began the year with five Village Agent (VA) projects and ended the year with two - Making it Happen (MIH) and Lost Woods (LW). Three VA projects came to the natural end of their lifespan.

The MIH project 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 County Council, 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 AirS MIH team support work in four rural-hub towns in Wealden. MIH began in September 2019 and is a five year East Sussex County Council funded, Asset Based project, alongside four other voluntary sector partners.

The second major VA project is The Lost Woods of the South Downs and Low Weald. This project began in July 2020. We recruited four part-time staff in October. The project is an interesting new development for AirS because it takes us into the environmental space, working with Conservation groups and agencies such as Woodland Trust and Sussex Wildlife Trust. Village Agents support communities to care for, protect and preserve their local green spaces. This project is funded by the Heritage Lottery Fund and the first tranche of funding is 18 months, until May 2022.

The MIH project was severely hampered by the COVID lockdowns – the VA's continued working but for most of the year were unable to visit their communities. The LW staff carried out induction in November and December 2020 but were then furloughed for three months in early 2021. Since the end of March 2021, the team have been running to catch up with lost time. The LW team must gather evidence of demand and bid in June 2022 for the funding to continue.

Three projects came to an end during the year. The most important was 'Reaching Communities' funded by the National Lottery. Reaching Communities was a three-year project, 2017-2020, it was extended by three months because of the pandemic. Reaching Communities supported 30 local community associations in Wealden and Rother. We successfully completed the evaluation and final reporting and aim to submit another proposal to the Lottery in the future.

The other long-running project that ended was AirS support for Good Neighbour Schemes, mainly in Lewes District. The Village Agent team valued this work because it allowed us to support small villages such as Rodmell, Newick and many others. That work was funded by East Sussex County Council for five years but sadly the funding and our support for this project has now ended.

In the coming year we are looking to extend our environmental/green volunteering work to reach East Sussex and to support a wider range of community groups. We hope to do this through a follow-up application to National Lottery/Reaching Communities

Community Led Housing and the Sussex Community Housing Hub

The Hub service at AirS has continued to work closely with 27 community led housing groups and projects across East and West Sussex. These are all Community Land Trusts – CLTs - (including one Co-Housing project) Two further schemes secured planning consent this past year; Herstmonceux CLT (18 homes) and Ringmer CLT (6 homes) both stand-alone - non housing association - projects. Icklesham and Angmering CLTs will start on site in 2021.

The Hub has expanded to include a another fully accredited Advisor; Polly Eason who has been great addition to the team. This recruitment was enabled by grant funds that were secured from Community Led Homes. We have undertaken several Housing Needs Surveys including an online survey in Hailsham. The limitations imposed by Covid-19 have made community engagement more difficult, but we have managed to maintain momentum with all our existing projects whilst also enabling a couple of new groups to emerge during this challenging time; Future Folk and Battle CLT.

The Hub team have used this time to expand our online presence and find other ways to support groups including via a series of Webinars covering key topics such as Finance, Planning, Community Engagement and Sustainable Development. These have been very well received, providing a valued space for sharing of good practice, peer support and networking.

The Hub and Sussex CLTs are at the forefront in terms of lobbying to make the case for a renewal of the Community Housing Fund to secure this vital funding stream for the sector.

Research and Policy

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 encourage time to be freely given by volunteers in their own communities. We have always encouraged them to contribute in this way rather than directly to us. In some communities (eg Mayfield) we have been happy to see the slow growth and development of local community organisations, owned and run by local community, with AirS (and other agencies) giving support of different kinds along the way.

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.

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

As already indicated above, the Covid-19 pandemic has had a significant impact 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.

Sussex Rural Community Council

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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.

The Trustees also wish to note that despite the complexities of operating under Covid, the AirS team still managed to move offices (within the same building) to an improved space, and reorganise the space to optimise it for their work.

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.

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; whilst the need for affordable housing remains topical, there are delays on planning aspects, but we are pleased to confirm that overall progress has been maintained.

A considerable proportion of staff time was spent 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 at the proper time.

The Board will also be considering the ongoing impact that the pandemic has had on social enterprises and charities reliant on retail income and fundraising events when deciding their investment strategy and designations. Our future plans will also be informed by the new and emerging needs of rural communities and once 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 18 to the accounts (page 35). 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 17 & 18 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 £1,807,394 before an exceptional item relating to the Pensions Trust of £29,262, set out in detail in Note 20. 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 specific projects and any monies not available for other uses must first be deducted. Restricted funds, whose use is formally restricted by the funder, total £2,976.

In addition, resources invested in funds designated by the trustees for specific projects or purposes total a further £1,208,000 leaving an operating free reserve of £596,418 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 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 £596,418 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 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.

Small company exemptions

This report is prepared in accordance with the provisions of the Companies Act 2006 relating to small companies.

This report was approved by the Board of Trustees on 24 November 2021 and signed on its behalf by:

Alex Ingham Clark

Alex Ingham Clark (Nov 29, 2021 20:55 GMT)

.....
Alex Ingham Clark - Chair

Independent Examiner's Report to the Trustees of Sussex Rural Community Council

I report on the accounts of the charity for the year ended 31 March 2021, which are set out on pages 18 to 36.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. [The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of The Association of Chartered Certified Accountants.]

Having satisfied myself that the charity is not subject to an audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



**Richard Nelson FCCA
Breckman & Company Ltd
Chartered Certified Accountants**

49 South Molton Street
London W1K 5LH

24 November 2021

Sussex Rural Community Council

(Limited by Guarantee)

**Statement of Financial Activities (including Income and Expenditure Account)
for the year ended 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total £	Unrestricted funds £	Restricted funds £	2020 Total £
Income and endowments from:	2						
Donations and legacies - page 19		59,589	-	59,589	51,673	-	51,673
Charitable activities:							
Operational programmes - page 19		191,611	249,920	441,531	327,440	244,590	572,030
Investments	3	16,062	-	16,062	8,259	-	8,259
Total		<u>267,262</u>	<u>249,920</u>	<u>517,182</u>	<u>387,372</u>	<u>244,590</u>	<u>631,962</u>
Expenditure on:							
Charitable activities:							
Operational programmes - pages 20 - 21		226,996	368,161	595,157	303,416	229,527	532,943
Total		<u>226,996</u>	<u>368,161</u>	<u>595,157</u>	<u>303,416</u>	<u>-</u>	<u>532,943</u>
Net income/(expenditure)	4	40,266	(118,241)	(77,975)	83,956	15,063	99,019
Reconciliation of funds:							
Total funds brought forward		1,734,890	121,217	1,856,107	1,650,934	106,154	1,757,088
Total funds carried forward	17, 18	<u>1,775,156</u>	<u>2,976</u>	<u>1,778,132</u>	<u>1,734,890</u>	<u>121,217</u>	<u>1,856,107</u>

The notes on pages 25 to 36 form an integral part of these financial statements.

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

Sussex Rural Community Council

(Limited by Guarantee)

Year ended 31 March 2021

	2021	2020
	£	£
Income from donations and legacies		
Grants		
Action with Communities in Rural England (ACRE)	47,395	47,995
HMRC Job Retention Scheme	10,110	-
	<u>10,110</u>	<u>-</u>
	57,505	47,995
Donations		
Donations	2,084	3,678
	<u>59,589</u>	<u>51,673</u>
Income from charitable activities		
Income from operational programmes		
Fees	100,875	322,260
Fees - Village Hall consultancy/subscription	18,712	-
Fees - Sussex Community Development Assoc.	69,135	-
Membership	-	5,180
Other income	2,889	-
	<u>191,611</u>	<u>327,440</u>
Project specific funding		
Grants/Donations		
Local & Regional Government	102,550	-
Community Led Homes Funding	63,720	-
LW cash costs	23,951	-
LW cash costs [Woodland Trust]	9,995	-
LW FCR staffing/lottery	40,785	111,922
LW overhead recovery	7,919	37,857
ACRE - safeguarding	1,000	-
Groundwork UK	-	71,645
Lewes District Council	-	3,500
Mid Sussex District Council	-	9,726
SCDA	-	9,940
	<u>249,920</u>	<u>244,590</u>

Sussex Rural Community Council

(Limited by Guarantee)

Year ended 31 March 2021

	2021	2020
	£	£
Expenditure on charitable activities		
Operational programmes		
Direct project costs		
Computer equipment	5,429	-
Event costs	267	634
Delegated and other grants	75,353	15,063
Funding RVA for Reaching Communities	9,624	-
Internet subscriptions	1,125	-
Mailout charges	5,698	10,241
Marketing/publicity	1,114	537
Meeting costs/refreshments	123	1,968
Membership fees	325	4,769
Postage	5	217
Resources	21	171
Room hire	50	425
Small equipment	1,385	68
Stationery/photocopying	478	800
Telephone	2,194	2,721
Training/activities	-	844
Travel	1,559	10,067
Volunteer expenses	-	62
Websites for projects	368	-
Consultancy	7,313	61,773
ITC costs/small computer equipment	510	-
Legal	100	-
Recruitment	3,320	-
Salaries/social security/pension costs	309,476	270,314
Staff training	1,520	-
	<hr/>	<hr/>
	427,357	380,674
Support costs - page 21	163,778	149,002
Governance costs - page 21	4,022	3,267
	<hr/>	<hr/>
	595,157	532,943
	<hr/> <hr/>	<hr/> <hr/>

Sussex Rural Community Council

(Limited by Guarantee)

Year ended 31 March 2021

	2021		2020	
	£	£	£	£
Support and governance costs				
Support costs				
Office overheads				
Rent	17,614		17,605	
Light/heat	2,436		1,267	
Telephone/fax/internet	3,339		1,767	
Insurance	2,581		2,804	
IT/maintenance/support/website	9,809		9,391	
Repairs/maintenance	171		362	
Cleaning	562		-	
Depreciation of fixtures/fittings/equipment	812		1,922	
		37,324		35,118
Administration costs				
Salaries/social security/pension costs	119,376		105,122	
Other pension costs	15,766		14,696	
Staff training/recruitment/other staff costs	1,599		2,651	
Healthcare	1,026		-	
Staff welfare	104		-	
HR Support costs	22,821		-	
Travel/transport	24		14	
Printing/postage/stationery	740		2,083	
Books/journals	187		-	
Advertising/marketing	3,580		-	
Membership fees	4,500		-	
Sundries	321		2,906	
Irrecoverable VAT	2,962		1,780	
		173,006		129,252
Professional/financial				
Legal/professional	122		746	
Bank charges	97		88	
Exceptional item - growth plan pension scheme	(46,771)		(16,202)	
		(46,552)		(15,368)
		163,778		149,002
Governance costs				
Trustees' meetings/expenses	22		767	
Accountancy/consultancy	4,000		2,500	
		4,022		3,267
		167,800		152,269

Sussex Rural Community Council

(Limited by Guarantee)

**Balance Sheet
31 March 2021**

		2021		2020	
Notes	£	£	£	£	£
Fixed assets					
Tangible assets	9		442		1,254
Investments	10		2		2
			444		1,256
Current assets					
Stocks	11	1,919		-	
Debtors	12	48,845		30,525	
Cash at bank and in hand		1,864,957		2,043,118	
		1,915,721		2,073,643	
Liabilities					
Creditors: amounts falling due within one year	13	(125,010)		(142,759)	
Net current assets			1,790,711		1,930,884
Total assets less current liabilities			1,791,155		1,932,140
Creditors: amounts falling due after more than one year	14		(13,023)		(76,033)
Net assets			1,778,132		1,856,107
The funds of the charity					
Unrestricted funds	17				
- General fund			596,418		602,923
- Designated funds			1,208,000		1,208,000
			1,804,418		1,810,923
Restricted funds	18		2,976		121,217
Exceptional item	20		(29,262)		(76,033)
Total charity funds			1,778,132		1,856,107

Sussex Rural Community Council

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

Directors' responsibilities:

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

These financial statements have been prepared in accordance with the provisions of the Companies Act 2006 applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on 24 November 2021 and signed on its behalf by

Alex Ingham Clark
Alex Ingham Clark (Nov 29, 2021 20:55 GMT)

Alex Ingham Clark
Chair



Neil David Smith
Trustee

The notes on pages 25 to 36 form an integral part of these financial statements.

Sussex Rural Community Council

(Limited by Guarantee)

**Cash Flow Statement
for the year ended 31 March 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities	22	<u>(194,223)</u>	<u>(69,729)</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		<u>16,062</u>	<u>8,259</u>
Net cash provided by investment activities	23	<u>16,062</u>	<u>8,259</u>
Change in cash at bank and in hand in the reporting period		(178,161)	(61,470)
Cash at bank and in hand at the beginning of the reporting period		2,043,118	2,104,588
Cash at bank and in hand at the end of the reporting period		<u>1,864,957</u>	<u>2,043,118</u>

Sussex Rural Community Council

(Limited by Guarantee)

Notes to the Financial Statements for the year ended 31 March 2021

1. Accounting policies

1.1. Basis of preparing the financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (issued October 2019) 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 2019) - (Charities SORP (FRS 102)), and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

1.2. Debtors

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

1.3. Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.4. Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.5. Preparation of the accounts on a going concern basis.

The company is dependent on the continued support of grant aiding bodies. The trustees believe that the company will continue to receive this support and accordingly consider that it is appropriate to prepare the financial statements on the going concern basis.

1.6. Group 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.

Sussex Rural Community Council

(Limited by Guarantee)

Notes to the Financial Statements for the year ended 31 March 2021

1.7. Incoming resources

All incoming resources are included in the Statement of Financial Activities when:

- the charity is legally entitled to the funds
- any performance conditions attached to the income have been met or are fully within the control of the charity
- there is sufficient certainty that receipt of the income is considered probable
- the amount can be reliably measured

- Donations and legacies

Grants/donations are recognised in incoming resources in the year in which they are receivable, except as follows:

- when donors specify that grants/donations given to the charity must be used in future accounting periods, the income is deferred until those periods
- when donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the preconditions for use are met.

- Charitable activities

Income from operational programmes is included in incoming resources in the period in which the relevant programme takes place.

Project specific funding - when donors specify that donations and grants are for particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in incoming resources of restricted funds when receivable.

- Investment income

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Sussex Rural Community Council

(Limited by Guarantee)

Notes to the Financial Statements for the year ended 31 March 2021

1.8. Expenditure

All expenditure is included on an accruals basis inclusive of any VAT which cannot be recovered and is recognised when:

- there is a legal or constructive obligation to make a payment
- it is probable that settlement will be required
- the amount of the obligation can be measured reliably

- Charitable activities

Operational programme costs - where possible, costs are identified directly with specific programmes and allocated to the relevant heading within resources expended.

- Support costs

The administrative and overhead costs associated with running the office from which the company operates as well as governance costs. Support costs are wholly attributable to operational programme costs.

- Governance costs

Costs associated with the constitutional and statutory requirements of the charity.

1.9. Tangible fixed assets and depreciation

Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is provided at annual rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Furniture/fixtures/equipment - Straight line basis, the shorter of 4 years or the duration of the project

1.10. Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.11. 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.

1.12. Fund accounting

Funds held by the charity are either:

- Unrestricted general funds - these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- Designated funds - these are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.
- Restricted funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Sussex Rural Community Council

(Limited by Guarantee)

Notes to the Financial Statements for the year ended 31 March 2021

1.13. Financial Instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value, and subsequently measured at their settlement value.

1.14. Significant Accounting Estimates and Judgements

In determining the carrying amounts of certain assets and liabilities, the charity makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The charity's estimates and assumptions are based on historical experience and expectation of future events and are reviewed annually.

2. Incoming resources

The total incoming resources for the year have been derived from the principal activity undertaken wholly in the UK.

3. Interest receivable

	2021 £	2020 £
Bank interest	<u>16,062</u>	<u>8,259</u>

4. Net income/(expenditure) for the year is stated after charging:

	2021 £	2020 £
Depreciation of tangible fixed assets	812	1,922
Independent examination	<u>4,000</u>	<u>2,500</u>

5. Trustees' emoluments and reimbursed expenses

The trustees received no remuneration during the year (2020 - £nil).

The aggregated amount reimbursed to trustees during the year was £29 (2020 - £298).

Sussex Rural Community Council

(Limited by Guarantee)

Notes to the Financial Statements for the year ended 31 March 2021

6. Staff costs and numbers	2021	2020
	£	£
Staff costs		
Salaries, social security and pension costs	428,852	376,113
Other pension costs	15,766	14,696
	<u>444,618</u>	<u>390,809</u>

No employee earned £60,000 or more during the year (2020 - nil).

The key management personnel of the charity comprise the Trustees and the Senior Management Team. The total employee benefits (including social security costs and pension costs) of the key management personnel of the charity were £81,508 (2020: £94,126).

Staff numbers

The average numbers of employees (including casual and part time staff) during the year was made up as follows:

	2021	2020
	Number	Number
Support / operational programmes	<u>12</u>	<u>11</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.

7. Pension costs

The company operates a defined contribution pension scheme in respect of its employees. The scheme and its assets are held by independent managers. The pension charge represents contributions due from the company and amounted to £15,766 (2020 - £14,696).

8. Corporation taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

Sussex Rural Community Council

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**Notes to the Financial Statements
for the year ended 31 March 2021**

9. Fixed assets - tangible assets

**Furniture/
fixtures/
equipment
£**

Cost

1 April 2020 /
31 March 2021

7,690

Depreciation

1 April 2020
Charge for year
31 March 2021

6,436

812

7,248

Net book values

31 March 2021
31 March 2020

442

1,254

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

10. Fixed Asset Investments

**Subsidiary
Undertakings
Shares**

Total

£

£

Cost

1 April 2020 /
31 March 2021

2

2

Net book values

31 March 2021
31 March 2020

2

2

2

2

Action in Rural Sussex owns 100% of the 2 Ordinary Shares of SRCC (Trading) Limited, company registered in England and Wales, number 03101724. 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, and had net assets of £2 as at 1 April 2021.

Sussex Rural Community Council

(Limited by Guarantee)

**Notes to the Financial Statements
for the year ended 31 March 2021**

11. Stocks	2021	2020
	£	£
Work in progress	1,919	-
	<u> </u>	<u> </u>
12. Debtors	2021	2020
	£	£
Trade debtors	25,167	27,023
Prepayments	23,678	3,502
	<u> </u>	<u> </u>
	48,845	30,525
	<u> </u>	<u> </u>
13. Creditors: amounts falling due within one year	2021	2020
	£	£
Trade creditors	22,718	7,906
Other taxation/social security	10,102	6,118
Other creditors	20,170	4,267
Accruals	25,298	14,483
Deferred income (note 15)	46,722	109,985
	<u> </u>	<u> </u>
	125,010	142,759
	<u> </u>	<u> </u>
14. Creditors: amounts falling due after more than one year	2021	2020
	£	£
Pension fund deficit	13,023	76,033
	<u> </u>	<u> </u>

Sussex Rural Community Council

(Limited by Guarantee)

**Notes to the Financial Statements
for the year ended 31 March 2021**

15. Deferred income	£
Balance at 1 April 2020	109,985
Amount released to incoming resources	(109,985)
Amount deferred in the year	<u>46,722</u>
Balance at 31 March 2021	<u><u>46,722</u></u>

Deferred income relates to grants and other income received in advance.

16. Limited by guarantee

The private limited company is limited by guarantee, registered in EW - England and Wales, and does not have a share capital. Each member gives a guarantee to contribute a sum, not exceeding £1, to the company should it be wound up. At 31 March 2021 there were 110 members.

Sussex Rural Community Council

(Limited by Guarantee)

**Notes to the Financial Statements
for the year ended 31 March 2021**

17. Unrestricted funds	Brought forward £	Incoming resources £	Outgoing resources £	Exceptional Item £	Carried forward £
Designated funds:					
Development Fund	534,984	-	-	-	534,984
Relocation Reserve	500,000	-	-	-	500,000
Sussex Community Housing Hub	92,016	-	-	-	92,016
IT Rolling Replacement Fund	18,000	-	-	-	18,000
Recruitment Fund	63,000	-	-	-	63,000
Total designated funds	<u>1,208,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,208,000</u>
General fund	602,923	267,262	(226,996)	(46,771)	596,418
Exceptional item - pension scheme deficit	(76,033)	-	-	46,771	(29,262)
	<u>1,734,890</u>	<u>267,262</u>	<u>(226,996)</u>	<u>-</u>	<u>1,775,156</u>

The exceptional item refers to the additional contributions to be levied by The Pensions Trust as detailed in note 20. The sum of £29,262 is the amount due over the 4 years to 31 March 2025, which may be revised.

Sussex Rural Community Council

(Limited by Guarantee)

**Notes to the Financial Statements
for the year ended 31 March 2021**

18. Restricted funds	Brought forward £	Incoming resources £	Outgoing resources £	Carried forward £
Aims	121,217	248,920	(367,161)	2,976
ACRE - safeguarding	-	1,000	(1,000)	-
	<u>121,217</u>	<u>249,920</u>	<u>(368,161)</u>	<u>2,976</u>

Aims

These funds are for three main aims:

1. Tackling Rural Disadvantage
2. Building Community Capacity & Resilience
3. Rural Voice

19. Analysis of net assets between funds

	General funds £	Restricted funds £	Total £
Fund balances at 31 March 2021 are represented by:			
Tangible fixed assets	442	-	442
Investments	2	-	2
Net current assets	1,787,735	2,976	1,790,711
Long term (liabilities)	(13,023)	-	(13,023)
	<u>1,775,156</u>	<u>2,976</u>	<u>1,778,132</u>

Sussex Rural Community Council

(Limited by Guarantee)

Notes to the Financial Statements for the year ended 31 March 2021

20. Exceptional item - 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 Growth Plan is in deficit. The triennial actuarial valuation as at 30 September 2020 showed a deficit of £31.6m, which has reduced from £131.5m at 30 September 2017. 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 £163,286 (2020: £197,905). 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.

21. Related party transactions

During the year the company had no related party transactions that require disclosure.

Sussex Rural Community Council

(Limited by Guarantee)

**Notes to the Financial Statements
for the year ended 31 March 2021**

22. Reconciliation of net income/(expenditure) to net cashflow from operating activities

	2021	2020
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(77,975)	82,817
Depreciation/amortisation	812	1,922
Dividends, interest and rents from investments	(16,062)	(8,259)
(Increase) in stocks	(1,919)	-
(Increase)/decrease in debtors	(18,320)	13,199
(Decrease) in creditors	(80,759)	(159,408)
Net cash outflow from operating activities	<u>(194,223)</u>	<u>(69,729)</u>

23. Gross Cash Flows

	2021	2020
	£	£
Returns on investments and servicing of finance		
Interest received	16,062	8,259
	<u>16,062</u>	<u>8,259</u>









Sussex Rural Community Council 2021 draft accounts v18

Final Audit Report

2021-11-29

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