

Company registration number: 08071971  
Charity registration number: 1147527

# HCCS Community Action

known as  
Community First HEH

(A company limited by guarantee)

Annual Report and Financial Statements  
for the Year Ended 31 March 2014

MMO Limited  
Chartered Accountants and Statutory Auditors  
Wellesley House  
204 London Road  
Waterlooville  
Hampshire  
PO7 7AN

THURSDAY



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COMPANIES HOUSE

**HCCS Community Action  
known as  
Community First HEH**

**Reference and Administrative Details**

<b>Charity name</b>	HCCS Community Action known as Community First HEH
<b>Charity registration number</b>	1147527
<b>Company registration number</b>	08071971
<b>Principal office</b>	Bedhampton Suite, 6000 Langstone Technology Park Langstone Road Havant PO9 1SA
<b>Registered office</b>	Bedhampton Suite, 6000 Langstone Technology Park Langstone Road Havant PO9 1SA
<b>Trustees</b>	Mr Beverley Jones, Chairman Mr G Lavender, Vice chairman Colonel W Stevens Mrs J Owens Mr G Millar Mrs J Vincent-Coulter (Resigned 22 August 2013) Ms J Harrap
<b>Chief executive officer</b>	Mr T Houghton
<b>Bankers</b>	Lloyds Bank PLC West Street Havant Hampshire
<b>Auditor</b>	MMO Limited Wellesley House 204 London Road Waterlooville Hampshire PO7 7AN

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**Structure, Management and Governance**

HCCS Community Action (trading as Community First HEH) is a Registered Charity and Company Limited by Guarantee. The company is governed by its Memorandum and Articles of Association dated 9 May 2012.

HCCS Community Action was created as a successor organisation to continue the work of Havant Council of Community Service, as an incorporated organisation, in May 2012. Community First East Hampshire merged into HCCS Community Action in October 2012 to create an organisation able to provide services across Havant and East Hampshire.

The trustees of the charity are the directors of the company.

HCCS Community Action is a member of the National Association for Voluntary and Community Action and Volunteering England.

**Recruiting Trustees and Directors**

The following methods are used in recruiting new trustees and directors

- An audit is carried out of the skills of existing trustees and directors and is matched to needs and activities of the business as set out in its business plan.
- Gaps in skills are identified by the Executive Committee and discussed and agreed at the full board.
- Nominations to the Board of Directors are invited at the Annual General Meeting and throughout the year through contact with member groups and partners
- Securing specific skills can require additional action such as advertising through local networks, contacts and companies.

**Trustee and Director Induction and Training**

New trustees and directors are provided with an information pack containing background information about the organisation and our work. Prospective directors are invited to attend board meetings to observe and ask questions followed by a meeting with CEO and Chairman to enable mutual understanding of their skills and interest and to explain more about the workings and strategy of the organisation.

When in post directors are encouraged to attend project events and launches and to meet staff running services to gain an understanding of some of the challenges and benefits. Training for directors is promoted and advertised.

**Role of Advisers**

In addition to our trustees and directors, HCCS Community Action has 'advisers' who are local authority councillors nominated by Hampshire County Council, Havant Borough Council and East Hampshire District Council. Advisers are not directors but provide support to the organisation and act as a conduit for communication and informing local authorities about our work. Advisers meet with the CEO and directors but are not required to attend board meetings.

**Objectives, Activities and Achievements**

**Objects in the Constitution**

The Charity's objects are:

To promote any charitable purposes for the benefit of the public, principally but not exclusively in the

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Borough of Havant and District of East Hampshire and its environs and, in particular but not exclusively, the advancement of

- a) education, the protection of health and the relief of poverty, distress and sickness and provide them with the necessary support information and services to enable them to pursue or contribute to any charitable purpose.
- b) to promote, organise and facilitate co-operation and partnership working between third sector, statutory and other relevant bodies in the achievement of the above purposes within the area of benefit.

The charity objects and area of operation are currently under review with a recommendation to extend these.

**How our activities deliver public benefit**

The directors have referred to the Charity Commission general guidance on public benefit when reviewing the company's objectives and planning future activities.

The charity carries out a wide range of activities in pursuance of its charitable aims. The directors consider that these activities provided benefit to the wider communities of Havant and East Hampshire in 2013/14 and are summarised below:

- **Volunteering:** Working with individuals and voluntary groups to recruit, place, support and train volunteers and the benefit they make to community and voluntary organisations.
- **Support:** Providing information, guidance, signposting and one to one support to voluntary and community groups enabling organisations to thrive
- **Networks:** Sharing information, representing local communities and involvement in local strategic planning
- **Training:** Development of staff, volunteers and members of voluntary sector, community groups and other charities
- **Voice:** Representing and supporting local voluntary and community groups to help shape policy and influence within their communities
- **Services:** Meeting the needs of communities and other voluntary sector organisations by providing transport, mobility, specialist older people's services, youth work, help with finding employment and other services in keeping with our charity aims

**Our Aims and Objectives**

Community First HEH provides advice, support and services to communities across East Hampshire, Havant and beyond. We encourage voluntary and community organisations to thrive and we deliver services which promote wellbeing and prosperity. We aim to make life better for those we serve and work with.

We achieve this by

- Providing information and guidance to help local organisations and people make a difference in their neighbourhoods.
- Promoting the vital work that voluntary organisations do and act as a bridge with local authorities and businesses to share valuable skills and resources.
- Helping groups raise money for local projects
- Recruiting and training volunteers to play an active role supporting their local communities

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- Providing high quality training for individuals and organisations  
Delivering services which help those less able to help themselves, working with communities and individuals who are socially disadvantaged, vulnerable and isolated. For older people we provide lunch clubs, community transport and shopmobility. For younger people we provide specialised youth work and training for those looking for work. For those experiencing mental illness we provide support through volunteering to help build their confidence and self esteem.
- 134 training events for groups
- 119 separate enquiries about how to raise more money;
- 73 requests for support on policies and procedures
- 145 requests for support with HR and volunteer recruitment and management
- 55 sought help with DBS (Disclosure & Barring Service) checks

**Our specific aims in 2013 – 2014 were:**

1. Giving a voice to the sector, enabling and helping charities to become models of good practice and respond to funding cuts and develop new ways of financing the sector. This will include new partnerships and commissioning with local authorities and other statutory partners.
2. To provide local groups with one to one support across a range of topics; including governance, income generation, restructuring, HR and DBS checks
3. To deliver quality training opportunities to all sectors, helping groups to up skill, become sustainable and change services delivery to meet. This includes expansion on our Learning Highways brand into Havant
4. To promote volunteering and support volunteering activity locally leading to a significant increase in the number and range of people taking up volunteering for the first time
5. To enable service delivery to local communities; specifically this includes delivering;
  - a. Transport in Havant and Shopmobility in Havant and Chichester
  - b. Youth work across East Hampshire but focusing on gaps in services in Bordon and Alton. This will include support for troubled families and those with health needs.
  - c. Older persons services through BILL road shows (Being Independent in Later Life), and through lunch clubs and social activities delivered at our Emsworth and Jubilee Centres
  - d. Community Solutions and support in specific locations where voluntary and community infrastructure may not be so well developed or co-ordinated; including but not limited to Bordon and Wecock Farm
6. Providing evidence of need and measuring and demonstrating the impact of voluntary sector's intervention and support.

**Our performance in 2013/14**

Community First HEH provided support for our membership of over 300 voluntary and community groups through information, support and advice.

Our team of staff and volunteers responded to enquiries from local voluntary organisations on a broad range of issues including:

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We also promoted the voluntary and community sector acting as a representative voice at 62 network, forum and regular partnership meetings.

**Our role in community development and capacity building**

In 2013-2014 our community development team contributed to the creation of more than 25 new projects and 13 start up organisations

Our development workers provided tailored support for new and established groups, including guidance on governance and constitutions, HR and operating policies and procedures, and creating business plans. We advised and supported more than 50 funding applications raising more than £430,000 for local groups and activities. We hosted network and funding advice events enabling local groups to come together to share ideas and experiences, while receiving briefings on topical issues.

We also delivered payroll service for 5 local organisations, carried out more than 55 DBS checks on behalf of local groups and offered low cost equipment hire including projectors, laptop and display boards to 35 groups.

We sent out a regular e-news disseminating local information, events and funding opportunities and published a Directory of Voluntary and Community Groups, a Directory of Local Speakers and Entertainers, and a Directory of Services for Older People

**Volunteer services**

Our Volunteering Team directly recruited, placed and supported 172 volunteers and dealt with more than 1300 enquiries. We identified and promoted over 700 opportunities each month. Our aim is to enhance the volunteering experience by working collaboratively with organisations and groups seeking volunteers, and supporting them to develop their capacity. We provided guidance on good practice and advertised volunteering opportunities through interviews, events, publicity and the [www.do-it.org.uk](http://www.do-it.org.uk) website.

We organised and hosted awards ceremonies to celebrate and recognise the valuable contribution volunteers make in the community. We also developed new volunteer services including

- **The V Team** which gives extra support to people who have been unemployed, who lack confidence or have a mental health issue. The aim is to support people to volunteer in the community and offer group experiences. The V Team meets twice a month to act as a support group. Volunteers organise their own events, helping them to learn new skills, meet other people and put something back into their local community. V team has over 40 members
- **Alton College** helping introduce students to volunteering and identify new opportunities for 16 – 18 year olds. Volunteer staff regularly meet with students helping them identify roles which make use of their skills and interests and which fit around studies.

**Training**

We continued to build on the significant track record of training established in East Hampshire through the Learning Highways brand. The organisation provided more than 134 high-value, low-cost training events for charities, voluntary organisations and social enterprises attracting over 1270 participants and learners. Courses were offered in project management, ICT, funding, marketing, tendering and MIDAS minibus driver training.

**Employability project**

We supported more than 50 unemployed people through our work clubs and other employment initiatives which provide training, help with job search, CV writing and preparation for the work place support and volunteering opportunity with specific aim of helping people into work.

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**Transport**

We delivered a Community Transport and a 'Call and Go' service in Havant and southern parishes of East Hampshire, under contract to Hampshire County Council with funding from Havant Borough Council and revenue generated by hiring out vehicles to more than 40 local groups. Accessible minibuses are available for hire to local groups and organisations, in addition to the regular contracts provided for local schools, residential homes and day care schemes. Call and Go provides a door-to-door bus service for residents with transport difficulties, who cannot get to or use the conventional public transport system. We also provided transport for local lunch clubs.

**Youth service**

The YouthFirst service based in East Hampshire delivered support for young people who are NEET (Not in Education, Employment or Training) in Alton, Liss and Liphook. Other specialist services included counselling in Anger and Anxiety Management and support for LGBT groups. We also ran Hubs (Youth Clubs) in Bordon, Headley Down and Liphook attracting more than 100 regular members

**Older persons' services**

Our Older Persons' Worker provided information and support to older people's groups, worked with Health and Wellbeing Board and Havant 50+ Forum, as well as organising BILL (Being Independent in Later Life) events and maintaining the Older People's Directory.

We also provided **Shopmobility** in Havant and Chichester funded by Havant BC and Chichester DC. We provided short and long term hire of electric scooters, and manual wheelchairs in order to provide greater freedom and independence to those with mobility problems. We served more than 100 customer hires.

We continue to run two **lunch clubs** at the Emsworth Centre and the Jubilee Centre in Waterloo. These clubs provide an opportunity for participants to have a meal and socialise with friends and are regularly attended by 20 or more customers

**Financial Review**

Community First HEH continues to operate against a backdrop of a reduction in public sector funding. This makes it difficult to plan with any degree of certainty for the long term but some of the changes in allocation of funding and the shift from grant to commissioning does open up new business opportunities for the charity which we continue to explore and take advantage of.

The charity has started to take appropriate and considered steps to diversify its funding base, to identify new sources of income and support and build on its strengths and track record in public service delivery combined with effective support for the local voluntary sector. An experienced staff team led by an effective board has maintained sound financial management during a period of significant change. The charity made a net loss of (£30,492) on unrestricted funds during the year but this takes into account further significant and exceptional costs of £22,000 invested in the merger including staff restructuring and investment in new IT.

Following the merger we recognised that there would be additional costs to be taken in to account to bring our communications and IT systems together and put in place training and other working practices to allow the two organisations and new staff team to intergrate. We started the year with a budget showing a planned deficit of £57,000, at the year end we were able to improve on this with an end of year deficit figure of £30,500. For the financial year 2014-2015 we have set a balanced budget and fully expect to be able to secure further income to allow us to finish 2015 with a surplus.

**Funding**

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HCCS Community Action received a contribution by way of grants towards our running costs, from Hampshire County Council, Havant Borough Council and East Hampshire District Council under a 1 year agreement ending 31st March 2014. Funding is being continued in 2014/15 albeit with a 12% reduction in Hampshire County Council's funding.

Our other principle funds came from grants and contracts including contracts with Hampshire County Council for Community Transport, Adult and Children's Services and a 'Call and Go' service, with Hampshire Learning for training, Armed Forces Community Covenant Fund for youth work, play provision and learning in Bordon, grants from Havant Borough Council and Chichester District Council and income from customers for Shopmobility, grants from Social Investment Business Group/ 'Locality' for pre feasibility work at our Emsworth Centre and from Big Lottery/Hants and IoW Community Foundation for our V Team; a programme proving supported volunteering for vulnerable adults in Havant.

**Reserves policy**

The Board of Directors has determined that the charity should seek to maintain a level of reserves to cover following eventualities;

- Unrestricted reserves equivalent to 6 months' of planned running costs expenditure.
- The loss on realisation of any fixed assets and any additional contractual liabilities.
- Designated reserves to accumulate funds for specific purposes as determined by the Board from time to time.
- Restricted reserves to the extent that funds for restricted purposes have not been fully expended. No additional reserves will be established for restricted projects.

This policy is principally to enable the charity to continue operations whilst awaiting receipt of grants, many of which are paid in arrears, to pay contractual liabilities in the event that grants are discontinued or significantly reduced whilst services are realigned and to recover the potential loss on fixed investments in the event that funding is withdrawn or contracts ended prematurely.

Application of this Policy as at 31 March 2014 resulted in:-

**Designated Reserves of £**

**Required Reserves in line with Policy: Six months' running cost**

The level of reserves is reviewed annually against the policy. In addition and independent of reserves, accruals will be established at the end of each year and reviewed quarterly thereafter, to cover any expenses that can reasonably be estimated, such as: sickness pay, insurance claim excesses, equipment and services received but not invoiced.

**Managing Risk**

Directors conduct an annual review of major risks to which the organisation is exposed. A Risk register has been established to document the risks and actions taken to mitigate against these. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces.

**Our significant risks**



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We face on going risk in terms of our funding and income which is predominantly from public sector including local authorities. Expenditure is under close scrutiny and local authority grants and commissioned services are being squeezed resulting in less money at a time when demand for our services and support from our members and constituents is increasing. We are continuing to diversify our funding base securing more income from commissioned services reducing our reliance on grants, diversifying our activities to attract new sources of income and looking at opportunities to develop an asset base. We are also exploring opportunities for enterprise particularly around training and some aspects of our support for older or vulnerable people. This will increase our income from non public sector sources

We have maintained strict internal controls and procedures for authorising transactions and payments which reduce financial risks and risk of fraud. Only authorised signatories can sign or commit the organisation to enter into grant agreements and contractual or other liabilities.

We deliver services to vulnerable people including those who are elderly, frail, disabled, suffer mental illness or lack confidence and to young people from a wide range of backgrounds. Our highest risk services are;

- Transport; risk of road accidents and in helping frail people on and off vehicles
- Supported Volunteering; providing work experience and support for people with mental illness and other health conditions including those with a history of substance misuse and ex-offenders; helping them rebuild their confidence and contribute to society.
- Youth work; working with vulnerable young people including specialist support addressing anger and anxiety management

We continue to invest in staff training to ensure full compliance with health and safety and operating procedures. Procedures are in place to ensure compliance and very best practice with health and safety of staff, volunteers and our service users. These are reviewed regularly. Accidents, incidents and near misses are recorded and reviewed. Lessons are learnt which are used to amend procedures to provide a safe and enjoyable experience for service users, staff and volunteers.

**Chairman's Report 2013/14**

The financial year 2013/14 is the first full year of our new organisation -trading as Community First HEH. I am grateful to my fellow board members, who contributed so much in making the merger process work so well and in ensuring that the benefits of the merger have been achieved. It is also the first full year, where the board has been working closely with our Chief Executive Tim Houghton, on the many challenges the organisation faces. The board is really pleased with the way Tim has settled in to the job and we are impressed with the way he deals so efficiently with the many calls upon his time. We have enjoyed working alongside Tim and I have heard that member organisations and others have found his approach effective, supportive and business like.

You may recall from last year's report, that one of the main tasks Tim had to undertake was the creation of a staffing structure, that was relevant to our developing strategy and one we could afford. Again this process has gone well. As a board we did realise this is a stressful time for all. We believe we now have a structure in place that helps us cover our geographical patch with a level of staffing that is satisfactory. I think we all realise that such structures cannot be set in stone and we are already flexing staffing levels so that we continue to offer workable solutions to our continually expanding work load. It was our firm intention that the new structure should allow our Chief Executive to be 'free' of day to day organisational issues so he could concentrate on development activities and have time for greater contact with funders and membership organisations/groups. As Tim spends more time working alongside both existing and new partners, we find that many wish to offer greater and more varied support and wish to work with us in truly committed and long term partnerships. We are developing new partnership workings with Housing Associations, the military and health/social agencies.

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We believe we have now achieved one of the key outcomes underlying the merger - a structure that is fit for purpose for the foreseeable future. As a board we are proud of our staff team. They offer to our member organisations and local communities, a flexible approach to issues. They are a team with a variety of background experience, expertise and knowledge. They like working as a team and are keen to offer a 'joined up' organisational solution to enquiries and applications for assistance.

We are all aware that the public purse has shrunk over the past years and all economic indicators suggest that the shrinkage will continue over the coming years. We are of course grateful for the support given to us by East Hampshire District Council, Havant Borough Council and Hampshire County Council. They are reducing their financial support to us but it is being done in a way that allows us time to think how we can best manage with less support. We value the open discussions we have with our main funding partners, on how we can all try to 'work with less'. These discussions allow us to remove duplication of effort and services; to suggest that one organisation takes the lead on a particular area of work or to work on new projects together. In this way we should be able to maintain many of the services currently provided. We may though have to provide the services/work, in a rather different way to the current approach. This continuing dialogue with both our member groups and others is the way we hope to provide solutions to how our work can be maintained, managed and supported in the future.

Our Chief Executive, our staff and the board are constantly trying to review how services and our work is funded and managed and how it could possibly be delivered in a different way. This is sometimes not an easy option. People generally do not like change, they like the current approach, the traditional way of doing things and the way it has always been done. So it's not an easy option but we feel it is the main way we can approach these financial challenges with confidence.

Obviously the financial pressure affects all in the voluntary sector. Again CFHEH has been talking with our membership about how we can do more to support each other. All the community and voluntary organisations (CVS's) in Hampshire are facing similar financial challenges. Over the past year these challenges have brought the organisations together, to investigate collaborative ways of working; to see if new ways of working, may collectively make funding go that bit further. A Community Board has been established made up of the chairmen of the 11 CVS's in the county. CFHEH has been very involved in ensuring that tangible results are gained from this desire to work more closely together. We have no desire to spend resources and energy on an approach that becomes just 'a talking shop'. One of the main thrusts of the new community board is to investigate how the overall management of services can be achieved in a more effective and economic way, so that a greater percentage of funding can be directed towards 'grass root' activities and services.

We have been successful in meeting all the targets we have been set by our funding partners. We have a commitment to working with partners in a locality and results are very promising in areas like Bordon and parts of Havant. This partnership approach is built on a belief that one organisation on its

own, cannot do everything. By working together we have a much better chance of making progress. We are in the process of updating our business plan so that we are positioned to achieve targets set for us in the future.

We realise that we need to explain to many in the community about what we do currently and the benefit of our role. Now is not the time to hide away our successes or even our existence. We are trying to get our marketing strategy correct. We have redesigned our web site and associated marketing tools but we realise we have to do more. The comments from member groups and others are a great help in assisting us to get it right.

The board is coping in managing the strategies we have to adopt to shape and focus our business in challenging times. As you can tell we are having to make changes to our approach, style and methods of delivery, but our commitment to all our membership groups will not falter

Beverley Jones

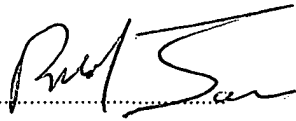
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Chairman

**Small company provisions**

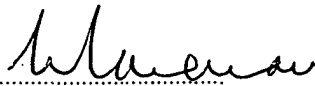
This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board and signed on its behalf by:



Mr Beverley Jones  
Trustee

Date: 28/10/14



Mr G Lavender  
Trustee

Date: 28/10/14

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**Trustees' Responsibilities in relation to the Financial Statements**

The trustees (who are also directors of HCCS Community Action for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and the 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 income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

## **Independent Auditors' Report to the Trustees of**

### **HCCS Community Action**

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### **Community First HEH**

We have audited the financial statements of HCCS Community Action for the year ended 31 March 2014, set out on pages 14 to 30. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act. Our work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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..... *continued*

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



Gillian McIntosh  
MMO Limited  
Chartered Accountants and Statutory Auditors

Date:.....11/11/14.....

Wellesley House  
204 London Road  
Waterlooville  
Hampshire  
PO7 7AN

MMO Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

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**Statement of Financial Activities (including Income and Expenditure Account) for the  
Year Ended 31 March 2014**

		Unrestricted Funds	Restricted Funds	Total Funds Year ended 31 March 2014	Total Funds 1 July 2012 to 31 March 2013
	Note	£	£	£	£
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income	2	148,442	367,909	516,351	341,369
Activities for generating funds	4	-	384,617	384,617	365,246
Investment income	5	1,153	29	1,182	1,809
Other incoming resources	6	71,336	-	71,336	59,883
Total incoming resources		<u>220,931</u>	<u>753,735</u>	<u>974,666</u>	<u>768,307</u>
<b>Resources expended</b>					
Costs of generating funds					
Costs of generating voluntary income	7	-	10,000	10,000	-
Charitable activities	7	241,718	790,593	1,032,311	729,844
Governance costs	7	9,705	-	9,705	9,099
Total resources expended		<u>251,423</u>	<u>800,593</u>	<u>1,052,016</u>	<u>738,943</u>
Net (expenditure)/income before transfers		(30,492)	(46,858)	(77,350)	29,364
<b>Transfers</b>					
Gross transfers between funds		-	-	-	523,997
Net movements in funds		(30,492)	(46,858)	(77,350)	553,361
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>247,302</u>	<u>306,059</u>	<u>553,361</u>	<u>-</u>
Total funds carried forward		<u>216,810</u>	<u>259,201</u>	<u>476,011</u>	<u>553,361</u>

The notes on pages 17 to 30 form an integral part of these financial statements.

**HCCS Community Action**  
**trading as**  
**Community First HEH (Registration number: 08071971)**

**Balance Sheet as at 31 March 2014**

		31 March 2014		31 March 2013	
	Note	£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		51,066		53,687
<b>Current assets</b>					
Stocks and work in progress		752		710	
Debtors	13	191,907		195,598	
Cash at bank and in hand		<u>371,248</u>		<u>485,895</u>	
		563,907		682,203	
<b>Creditors: Amounts falling due within one year</b>	14	<u>(138,962)</u>		<u>(182,529)</u>	
<b>Net current assets</b>			<u>424,945</u>		<u>499,674</u>
<b>Net assets</b>			<u>476,011</u>		<u>553,361</u>
<b>The funds of the charity:</b>					
<b>Restricted funds in surplus</b>			279,621		306,248
<b>Restricted funds in deficit</b>					
Innovation project			-		-
Memory club			-		-
Health trainers			-		-
Childrens university			-		-
Diversity			-		-
Neighbourhood exchange			-		-
Hafago			-		-
Lcp			-		-
Meals service			-		-
Community solutions			(473)		-
Big lottery outreach project			-		-
Silver surfers			-		-
Thorn project			-		-
Liphook youth club			-		(60)
Digital switchover			-		-
Health and wellbeing			-		-
Pathways project			-		(129)
Transition youth work			-		-
Bordon garrison youth project			(18,359)		-
Lgbt			-		-
Liphook youth project			(774)		-
Ccg research project			-		-

The notes on pages 17 to 30 form an integral part of these financial statements.



**HCCS Community Action**  
**trading as**  
**Community First HEH (Registration number: 08071971)**

**Balance Sheet as at 31 March 2014**

..... *continued*

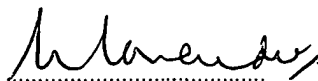
Headley down	<u>(814)</u>	<u>-</u>
<b>Total restricted funds</b>	<b>259,201</b>	<b>306,059</b>
<b>Unrestricted funds</b>		
Unrestricted income funds	<u>216,810</u>	<u>247,302</u>
<b>Total charity funds</b>	<u><u>476,011</u></u>	<u><u>553,361</u></u>

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board on 28/9/14 and signed on its behalf by:



Mr Beverley Jones  
Trustee



Mr G Lavender  
Trustee

The notes on pages 17 to 30 form an integral part of these financial statements.

**HCCS Community Action  
known as  
Community First HEH**

**Notes to the Financial Statements for the Year Ended 31 March 2014**

**1 Accounting policies**

**Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities (SORP 2005)', issued in March 2005, the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Companies Act 2006.

**Fund accounting policy**

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

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

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 20.

**Incoming resources**

Voluntary income including legacies and grants that provide core funding or are of a general nature is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

**Resources expended**

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs associated with attracting voluntary income.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

**Governance costs**

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

**Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

**HCCS Community Action  
known as  
Community First HEH**

**Notes to the Financial Statements for the Year Ended 31 March 2014**

..... *continued*

**Irrecoverable VAT**

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

**Fixed assets**

Individual fixed assets costing £0 or more are initially recorded at cost.

**Depreciation**

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

Plant and machinery	25% reducing balance
Fixtures and fittings	25% reducing balance

**Stock**

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

**Operating leases**

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

**Pensions**

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

**HCCS Community Action  
known as  
Community First HEH**

**Notes to the Financial Statements for the Year Ended 31 March 2014**

..... continued

**2 Voluntary income**

	Unrestricted Funds £	Restricted Funds £	Total Funds Year ended 31 March 2014 £	Total Funds 1 July 2012 to 31 March 2013 £
<b>Donations and legacies</b>				
Legacies and bequests	-	34,464	34,464	53,000
Other	254	-	254	-
	<u>254</u>	<u>34,464</u>	<u>34,718</u>	<u>53,000</u>
<b>Grants</b>				
UK Government grants	148,188	270,726	418,914	288,369
Contractual income from government or public authorities	-	62,719	62,719	-
	<u>148,188</u>	<u>333,445</u>	<u>481,633</u>	<u>288,369</u>
	<u>148,442</u>	<u>367,909</u>	<u>516,351</u>	<u>341,369</u>

**3 Grants receivable**

	Unrestricted Funds £	Restricted Funds £	Total Funds Year ended 31 March 2014 £	Total Funds 1 July 2012 to 31 March 2013 £
UK Government grants	<u>148,188</u>	<u>270,726</u>	<u>418,914</u>	<u>288,369</u>

**HCCS Community Action  
known as  
Community First HEH**

**Notes to the Financial Statements for the Year Ended 31 March 2014**

..... continued

**4 Activities for generating funds**

	Unrestricted Funds £	Restricted Funds £	Total Funds Year ended 31 March 2014 £	Total Funds 1 July 2012 to 31 March 2013 £
<b>Transport services</b>				
Contractual income from government or public authorities	-	169,111	169,111	138,597
Other	-	5,563	5,563	2,154
Management fees	-	9,600	9,600	6,921
(Profit)/loss on disposal of tangible fixed assets	-	328	328	-
	-	184,602	184,602	147,672
<b>Meals</b>				
Contractual income from government or public authorities	-	-	-	72,678
Other	-	-	-	160
	-	-	-	72,838
<b>Malmesbury lawn day centre</b>				
Contractual income from government or public authorities	-	97,790	97,790	73,150
<b>Call and go</b>				
Contractual income from government or public authorities	-	34,839	34,839	27,740
<b>Jubilee and Emsworth centres</b>				
Rental income	-	34,475	34,475	23,557
Other	-	9	9	179
	-	34,484	34,484	23,736
<b>Shopmobility</b>				
Hirings	-	13,852	13,852	6,425
<b>Jubilee and Emsworth lunch club</b>				
Other	-	1,021	1,021	1,002

**HCCS Community Action  
known as  
Community First HEH**

**Notes to the Financial Statements for the Year Ended 31 March 2014**

..... continued

**Learning highways**

Training	-	18,029	18,029	12,486
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**Volunteer bureau**

Other	-	-	-	197
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	-	384,617	384,617	365,246
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**5 Investment income**

	Unrestricted Funds £	Restricted Funds £	Total Funds Year ended 31 March 2014 £	Total Funds 1 July 2012 to 31 March 2013 £
Interest on cash deposits	1,153	29	1,182	1,809

**6 Other incoming resources**

	Unrestricted Funds £	Restricted Funds £	Total Funds Year ended 31 March 2014 £	Total Funds 1 July 2012 to 31 March 2013 £
<b>Other income</b>				
Rental income	2,152	-	2,152	-
Other income	3,617	-	3,617	18,131
Training	2,430	-	2,430	-
Management fees	63,137	-	63,137	41,752
	71,336	-	71,336	59,883

**HCCS Community Action**  
**known as**  
**Community First HEH**

**Notes to the Financial Statements for the Year Ended 31 March 2014**

..... continued

**7 Total resources expended**

	Grants	Charitable activities	Governance	Total
	£	£	£	£
<b>Direct costs</b>				
Cost of goods sold	-	6,354	-	6,354
Employment costs	-	427,617	-	427,617
Establishment costs	-	20,359	-	20,359
Repairs and maintenance	-	8,331	-	8,331
Office expenses	-	20,995	-	20,995
Printing, posting and stationery	-	4,643	-	4,643
Subscriptions and donations	-	-	728	728
Equipment hire	-	38,030	-	38,030
Sundry and other costs	-	116,605	-	116,605
Cleaning	-	1,962	-	1,962
Cost of trustee meetings	-	165	648	813
Motor expenses	-	83,882	-	83,882
Travel and subsistence	-	4,216	-	4,216
Advertising and promotion	-	379	-	379
Bad debt expense	10,000	3,003	-	13,003
Depreciation of tangible fixed assets	-	17,355	-	17,355
	<u>10,000</u>	<u>753,896</u>	<u>1,376</u>	<u>765,272</u>
<b>Support costs</b>				
Employment costs	-	186,527	-	186,527
Establishment costs	-	39,574	-	39,574
Office expenses	-	6,372	-	6,372
Printing, posting and stationery	-	356	-	356
Sundry and other costs	-	563	-	563
Management fee	-	43,691	-	43,691
Auditors' remuneration	-	-	4,465	4,465
Legal and professional costs	-	1,332	3,864	5,196
	<u>-</u>	<u>278,415</u>	<u>8,329</u>	<u>286,744</u>
	<u>10,000</u>	<u>1,032,311</u>	<u>9,705</u>	<u>1,052,016</u>

**8 Trustees' remuneration and expenses**

No trustees received any remuneration during the year.

**HCCS Community Action  
known as  
Community First HEH**

**Notes to the Financial Statements for the Year Ended 31 March 2014**

..... *continued*

**9 Net (expenditure)/income**

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

	<b>Year ended 31 March 2014</b>		<b>1 July 2012 to 31 March 2013</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Auditors' remuneration - audit services		4,465		4,305
Profit on disposal of tangible fixed assets		(328)		-
Depreciation of tangible fixed assets		17,355		17,896
		<u>17,355</u>		<u>17,896</u>



**HCCS Community Action  
known as  
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**Notes to the Financial Statements for the Year Ended 31 March 2014**

..... continued

**10 Employees' remuneration**

The average number of persons employed by the charity (including trustees) during the year, analysed by category, was as follows:

	Year ended 31 March 2014 No.	1 July 2012 to 31 March 2013 No.
Charitable activities	43	38
Governance	4	4
	<u>47</u>	<u>42</u>

The aggregate payroll costs of these persons were as follows:

	Year ended 31 March 2014 £	1 July 2012 to 31 March 2013 £
Wages and salaries	519,636	350,016
Social security	23,841	17,958
Other pension costs	12,753	8,716
	<u>556,230</u>	<u>376,690</u>

**Senior employees**

During the year, the number of senior employees who received emoluments falling within the following ranges was:

	Year ended 31 March 2014 No.	1 July 2012 to 31 March 2013 No.
£10,000 - £60,000	15	10
> £60,000	-	-
	<u>15</u>	<u>10</u>

During the year, defined contribution pension contributions on behalf of these staff amounted to £nil (2013 - £8,716).

**11 Taxation**

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

**HCCS Community Action  
known as  
Community First HEH**

**Notes to the Financial Statements for the Year Ended 31 March 2014**

..... continued

**12 Tangible fixed assets**

	<b>Plant and machinery including motor vehicles £</b>	<b>Fixtures, fittings and equipment £</b>	<b>Total £</b>
<b>Cost</b>			
As at 1 April 2013	52,479	19,104	71,583
Additions	10,925	5,188	16,113
Disposals	(1,562)	-	(1,562)
As at 31 March 2014	<u>61,842</u>	<u>24,292</u>	<u>86,134</u>
<b>Depreciation</b>			
As at 1 April 2013	13,120	4,776	17,896
Eliminated on disposals	(391)	-	(391)
Charge for the year	12,282	5,281	17,563
As at 31 March 2014	<u>25,011</u>	<u>10,057</u>	<u>35,068</u>
<b>Net book value</b>			
As at 31 March 2014	<u>36,831</u>	<u>14,235</u>	<u>51,066</u>
As at 31 March 2013	<u>39,359</u>	<u>14,328</u>	<u>53,687</u>

**13 Debtors**

	<b>31 March 2014 £</b>	<b>31 March 2013 £</b>
Trade debtors	181,160	179,701
Other debtors	10,747	15,135
Prepayments and accrued income	-	762
	<u>191,907</u>	<u>195,598</u>

**HCCS Community Action  
known as  
Community First HEH**

**Notes to the Financial Statements for the Year Ended 31 March 2014**

..... continued

**14 Creditors: Amounts falling due within one year**

	<b>31 March 2014</b>	<b>31 March 2013</b>
	<b>£</b>	<b>£</b>
Trade creditors	26,344	16,672
Taxation and social security	24,970	35,124
Other creditors	547	691
Accruals and deferred income	87,101	130,042
	<u>138,962</u>	<u>182,529</u>

**15 Members' liability**

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

**16 Operating lease commitments**

As at 31 March 2014 the charity had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	<b>Land and Buildings</b>		<b>Other</b>	
	<b>31 March 2014</b>	<b>31 March 2013</b>	<b>31 March 2014</b>	<b>31 March 2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Within one year	5,000	5,000	-	-
Within two and five years	-	-	36,024	36,024
	<u>5,000</u>	<u>5,000</u>	<u>36,024</u>	<u>36,024</u>

**17 Other financial commitments**

The charitable company rents its premises at Tilemore Road, Petersfield for a peppercorn rent of one peppercorn per annum until the lease expires on 20 May 2019.

**HCCS Community Action  
known as  
Community First HEH**

**Notes to the Financial Statements for the Year Ended 31 March 2014**

..... *continued*

**18 Pension scheme**

**Defined contribution pension scheme**

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £12,753 (31 March 2013 - £8,716).

There were no outstanding or prepaid contributions at either the beginning or end of the financial year.

There is a potential pension liability relating to the pension fund which cannot be quantified, professional advice is going to be sought on this matter.

**19 Related parties**

**Controlling entity**

The charity is controlled by the trustees who are all directors of the company.

**Related party transactions**

Mr W Millar, the son of Mr G Millar (trustee) received £1000 in the year for filming and editing a video for The Weacock Big Local.

**HCCS Community Action  
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**Notes to the Financial Statements for the Year Ended 31 March 2014**

..... continued

**20 Analysis of funds**

	At 1 April 2013	Incoming resources	Resources expended	Transfers	At 31 March 2014
	£	£	£	£	£
<b>Designated Funds</b>					
Required reserves policy	143,000	-	-	-	143,000
Budget deficit	35,000	-	-	-	35,000
Costs associated with the merger	22,000	-	-	(22,000)	-
	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>(22,000)</u>	<u>178,000</u>
<b>General Funds</b>					
Development	9,811	220,931	(251,423)	22,000	1,319
Property fund	37,491	-	-	-	37,491
	<u>47,302</u>	<u>220,931</u>	<u>(251,423)</u>	<u>22,000</u>	<u>38,810</u>
<b>Restricted Funds</b>					
Volunteer centre	2,916	41,629	(43,739)	-	806
Innovation project	20,676	200	(20,876)	-	-
Projects fund	26,345	-	-	2,714	29,059
Childrens university	3,333	-	(3,333)	-	-
Open door	5,434	-	(5,098)	-	336
HAFAGO	600	1,261	(1,861)	-	-
Jubilee and Emsworth centres	53,290	68,948	(49,249)	-	72,989
Emsworth lunch club	3,731	50	(2,636)	-	1,145
Jubilee lunch club	3,810	971	(1,290)	-	3,491
Transport services	53,918	190,694	(205,160)	-	39,452
Malmesbury Lawn day centre	9,144	97,790	(97,670)	-	9,264
Call and go	2,679	34,846	(34,416)	-	3,109
Shopmobility	3,687	43,448	(39,583)	-	7,552
Community solutions	4,750	2,700	(7,923)	-	(473)
Learning highway	33,173	80,748	(103,373)	-	10,548
Alton college volunteering	10,821	7,787	(1,846)	-	16,762
Alton YSS	3,916	-	(2,280)	(801)	835
Adult learners week	532	-	-	-	532
Big lottery outreach project	8,216	-	(8,216)	-	-
Bordon anger management	1,004	-	-	-	1,004

**HCCS Community Action**  
**known as**  
**Community First HEH**

**Notes to the Financial Statements for the Year Ended 31 March 2014**

..... continued

Community learning	25,423	-	(2,400)	-	23,023
Silver surfers	1,209	-	-	(1,209)	-
Thorn project	1,806	-	-	(1,806)	-
Liphook youth club	(60)	9,146	(7,809)	-	1,277
Digital switchover	909	-	-	(909)	-
Health and wellbeing	511	-	-	(511)	-
Learning skills and employment	4,596	-	(3,788)	-	808
Pathways project	(129)	-	-	129	-
Work club	355	7,000	(2,524)	-	4,831
Approved by you	10,000	21,500	(25,378)	-	6,122
Employability support service	4,249	-	(5,840)	1,592	1
Alton anger management	1,495	3,600	(4,500)	-	595
Bordon garrison youth project	367	19,397	(38,123)	-	(18,359)
Liss Liphook NEET	1,052	-	-	-	1,052
LGBT	30	6,000	(6,831)	801	-
Teenage pregnancy	827	-	-	-	827
Liphook youth project	1,444	-	(2,218)	-	(774)
CCG Research Project	-	10,000	(10,000)	-	-
Emsworth Pre-Feasible	-	10,000	(7,679)	-	2,321
Big Local	-	20,000	(10,926)	-	9,074
Bordon NEET	-	14,680	(12,618)	-	2,062
Bordon Hub	-	14,300	(10,356)	-	3,944
Alton NEET	-	13,280	(11,816)	-	1,464
Headley Down	-	-	(814)	-	(814)
V Team	-	32,580	(8,424)	-	24,156
Youth Work	-	1,180	-	-	1,180
	<u>306,059</u>	<u>753,735</u>	<u>(800,593)</u>	<u>-</u>	<u>259,201</u>
	<u>553,361</u>	<u>974,666</u>	<u>(1,052,016)</u>	<u>-</u>	<u>476,011</u>

**Restricted funds in deficit**

Community Solutions - £3750 was received after the year end

Bordon Garrison - £15,577 was received after year end and are expecting a further £30,000

Liphook Youth Project - deficit cleared after the year end by management committee

Headley Down - £2327 was received after the year end

**HCCS Community Action  
known as  
Community First HEH**

**Notes to the Financial Statements for the Year Ended 31 March 2014**

..... continued

**21 Net assets by fund**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 31 March 2014</b>	<b>Total Funds 31 March 2013</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Tangible assets	9,403	41,663	51,066	53,687
Current assets	492,195	71,712	563,907	682,203
Creditors: Amounts falling due within one year	<u>(116,975)</u>	<u>(21,987)</u>	<u>(138,962)</u>	<u>(182,529)</u>
Net assets	<u><u>384,623</u></u>	<u><u>91,388</u></u>	<u><u>476,011</u></u>	<u><u>553,361</u></u>