

Charity Registration No. 1094905

Company Registration No. 03387617 (England and Wales)

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD
TRUSTEES' REPORT AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022



SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

M Aguilar
J Bell
J Cornish (Chair)
A Langford-Hebbelinck
H Macaulay (Treasurer)
D Osborn
A Shields
I Sullivan
S Williams

Chief Executive Officer

P Shimmin

Charity number

1094905

Company number

03387617

Principal address and registered office

Denton Island Community Centre
Denton Island
Newhaven
East Sussex
BN9 9BA

Auditors

TC Group
The Courtyard
Shoreham Road
Upper Beeding
Steyning
West Sussex
BN44 3TN

Bankers

HSBC
3 Sutton Park Road
Seaford
East Sussex
BN25 1QY

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

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SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The trustees present their report and accounts for the year ended 31 March 2022, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The accounts have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice (Charities SORP (FRS 102) effective 1 January 2019).

1. Structure, governance and management

SCDA is an independent registered charity (1094905), company (03387617) limited by guarantee and a development trust delivering a range of projects to meet the needs of the community across Sussex.

SCDA is a membership organisation of voluntary and community groups— currently we have 70 member groups.

The Board of up to 12 volunteer trustees is elected from individuals nominated by the member groups or co-opted for specific skills to oversee our activities.

The Trustees have delegated the day-to-day management of the charity to the Chief Executive Officer. The work streams each have a Programme Manager who participate with the Finance Director and HR Director in the Senior Management team. Projects also benefit from advisory 'Steering Groups' made up of local partner organisations and users.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Maria Aguilar
Graham Amy (resigned 08/12/21)
John Bell
Leslie Cluckey (resigned 10/07/21)
John Cornish (Chair)
Ann Langford-Hebbelinck (Vice Chair)
Helen Macaulay (Treasurer)
Daniel Osborn
Andrew Shields
Ioni Sullivan
Sean Williams

None of the trustees has any beneficial interest in the company.

2. Risk

SCDA's Board of Trustees regularly reviews different aspects of the potential risks to the charity and take steps to minimise the likelihood of risk factors actually occurring and to minimise their effects should any occur.

Risk is managed through a Risk Management Policy, which includes the maintenance of a risk register which identifies and rates SCDA-wide and project specific risks and appropriate mitigation strategies. The risk register is reviewed by the Board annually.

The charity faces the following types of risk:

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FOR THE YEAR ENDED 31 MARCH 2022

2.1 Financial sustainability

SCDA receives funding from a variety of different sources. The grants and contracts are for varying periods and amounts and, like any charity, it requires constant work to maintain the required jigsaw of income to pursue SCDA's charitable aims. SCDA works to mitigate the risks of short term funding through social enterprise, the development of an income-generating asset base, the development of best practice models of service delivery, contracting, continuous cycle of fundraising and by avoidance of overdependence on any single funder. SCDA are aware of the need for contingency planning to ensure resilience in a period of economic constraint, the ending of longer term funding streams, changes in the funding landscape, performance under payment by results contracts and the impacts of inflation. Having no expectation of statutory core funding has minimised the vulnerability of SCDA to statutory grant funding cuts. The Board, Finance, Audit and Risk Sub Committee, the Senior Management Team and Programme Management all address financial sustainability on a regular basis.

2.2 Compliance

2.2.1 Finance systems

SCDA has a very flat management structure with a small finance team, led by a Finance and Infrastructure Director. SCDA works to mitigate risks through the operation of effective finance and reporting systems to the Board; Finance, Audit and Risk Subcommittee, the Senior Management Team and Programme Managers; annual budgets in each project area and the involvement of Programme Managers in budgetary control. The basis of reporting is a rolling full year forecast that is updated on a regular basis with analysis of variances from the annual Board approved budget. Contract outputs, impact and outcomes and the performance of Payment by Results contracts are monitored closely to meet contract requirements.

2.2.2 Health and Safety

SCDA is responsible for the operation of a broad range of projects operating across East Sussex, which require vigilance to meet the needs of paid staff, volunteers and the predominantly vulnerable client group. A comprehensive overarching summary risk assessment across all activities is carried out annually with half yearly reviews. The Health and Safety risks of each project area are reviewed on a quarterly basis, with additional risk assessments for all new activities, premises and workstations. Each project area has a Health and Safety representative, who is trained, conducts risk assessments and attends quarterly Health and Safety meetings. SCDA operates clear lone working policies, particularly important for outreach service delivery. There is a rolling programme of compliance training for all staff and volunteers, which includes First Aid and Safe Lifting & Handling. All project areas work to methods and procedures including dealing with critical incidents with appropriate procedures for each professional area. Health and Safety policy and procedures continue to be reviewed to meet amendments to central Government guidance related to the pandemic.

2.2.3 Child protection and adult safeguarding

DBS checks are carried out for all staff, volunteers and trustees where the role requires, with enhanced checks for relevant staff and any volunteers undertaking regulated activities. All checks are kept on file. DBS checks are renewed every 3 years. All staff and volunteers are trained in safeguarding, child protection and working with vulnerable adults and in SCDA policies and procedures. Policies and procedures are regularly reviewed to ensure statutory compliance and best practice including Serious Incident reporting. The nominated trained and experienced safeguarding lead from the management team convenes regular meetings to review practice with relevant service area leads. They liaise with the Board nominated safeguarding lead.

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FOR THE YEAR ENDED 31 MARCH 2022

2.2.4 Data protection

SCDA policy and procedures address compliance with data protection requirements, including training for staff and regular staff briefings. All staff have been trained in the requirements of the General Data Protection Regulation (GDPR).

2.3 Human resource management

SCDA employs across a wide skill base and experiences fluctuations in recruiting appropriately experienced and qualified staff and volunteers across that skills range. To mitigate this, SCDA employs a MCIPD qualified HR Director with 26 years' experience, supported by qualified and experienced HR professionals and drawing on the HR expertise within the Board as required. SCDA is a significant employer with a number of part time and sessional staff, as well as significant numbers of volunteers. There is an annual review of policies and procedures contained in the staff handbook and updates are approved by the Board. Line managers exercise a standard process of staff and volunteer supervision and appraisal, which additionally identifies training needs for personal development and for compliance. SCDA compliance and development training is coordinated by the HR Director. The HR & Governance sub committee meets regularly reporting to the full Board, working to the realisation of the SCDA People Plan. All staff are given induction and access to training. Succession planning is in place for all senior posts, particularly with the development of a robust Management team. A rolling programme of review of all job descriptions ensures they accurately reflect job roles, with benchmarking of salaries and systematic job evaluations. All posts are appointed within the SCDA established pay banding system. The risks attached to inability to recruit suitably skilled, qualified and experienced staff for specialist roles is mitigated by these measures.

2.4 Impact

2.4.1 Quality assurance

SCDA obtains appropriate external quality assurance for project areas. SCDA achieved IAG Matrix re-accreditation for all services in January 2022. The nursery and crèche provision is registered with and inspected by Ofsted with a Good judgement in July 2019. Counselling services are registered to BACP standards. The Continuous Quality Improvement staff group coordinates quality assurance including actions to assess the impact of services and achievement of key performance indicators agreed by the Board annually against the 3 year vision 2022-25.

2.4.2 Impact assessment

The SCDA Board receives regular reports on the impact of service delivery across all programme areas. SCDA works with a number of academic institutions and evaluation partners on research to assess and validate the impact of services. A database is being rolled out to improve SCDA capacity to record impact measures within '7 Pillars' assessing community and individual impact.

2.5 Reputation

2.5.1 Community relations

SCDA works within local communities across the county, across communities of interest and with VCSE partners. Each project area has a system for gathering user feedback and feeding that into project planning and delivery.

2.5.2 Partnership working

SCDA delivers a number of projects in partnership with other charitable, statutory and commercial organisations. Before partnering with any organisation SCDA ensures that the partner shares SCDA's commitment to quality and impact. An annual community impact survey reviews partner and community perceptions.

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FOR THE YEAR ENDED 31 MARCH 2022

2.6 Governance

2.6.1 Board

SCDA Board has identified the skills required for Board effectiveness and has been pro actively recruiting new Board membership to meet relevant skills. Clear recruitment procedures for new Board members, a comprehensive induction process, identification of skills gaps and the assessment and implementation of training for Board members has developed the Board skill base. Board members agree to a Code of Conduct to address potential conflicts of interest and loyalties and maintain annual declarations of interest and declarations of interest at each Board meeting. Issues of governance are addressed through the HR and Governance Subcommittee and an annual review of Board effectiveness and audit of skills within the Charity Governance Code.

Board meetings are held at least four times a year with reports generated through 3 Subcommittees meeting additionally: Finance, Audit and Risk; HR and Governance; Impact and Project Development. The Chair and Chief Executive attend all 3 Subcommittees to ensure integration.

2.6.2 Strategy

The overall direction of SCDA's activities is set and managed through a 3-year strategic planning cycle. The Board reviews progress in delivering the Vision 2022-25 through quarterly KPI reports and annual review.

2.7 Business continuity

2.7.1 Premises

SCDA operates from 10 sites and delivers services in a range of outreach locations across East Sussex. SCDA mitigates risk through the operation of a business continuity policy.

2.7.2 IT

SCDA has robust policies to maximise data security and minimise the risk of unauthorised access to or loss of data stored electronically. All data is stored centrally in encrypted form on duplicated servers and is backed up daily. Management of the charity's IT systems is outsourced to a reputable managed IT support provider.

The Charity's objects are to promote for the public benefit regeneration in an area of social and economic deprivation particularly in Sussex, by

- a) the relief of poverty;
- b) the relief of unemployment;
- c) the advancement of education, training or retraining, and the provision of work experience and the provision of work experience particularly among unemployed people and those who by reason of their financial, cultural social and health poverty are suffering from financial hardship or who are otherwise in charitable need;
- d) the provision of financial assistance, technical assistance, business advice or consultancy in order to provide or promote training and employment opportunities for unemployed people and those suffering from financial hardship;
- e) the creation of training and employment opportunities by the provision of workspace, buildings and/or land for use on favourable terms;
- f) the maintenance, improvement or provision of public amenities;
- g) the preservation of buildings or sites of historic or architectural importance;
- h) the provision and development of recreational facilities for the public at large or those who by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances, have need of such facilities;
- i) the protection or conservation of the environment;
- j) the provision of public health facilities and childcare; and
- k) the promotion of public safety and the prevention of crime.

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FOR THE YEAR ENDED 31 MARCH 2022

4. SCDA's aims in 2021/2022

Making a difference in our community by improving economic stability and opportunity, health and wellbeing and addressing loneliness and social isolation and social cohesion. SCDA services are underpinned by agreed values:

- **Driven by need** - User and local community involvement to identify gaps in services; development of projects to meet community needs and meeting the needs of the most vulnerable in the community;
- **Person centred** - holistically meeting needs with integrated services;
- **Inclusive** – working to ensure our services, opportunities and community spaces are accessible and welcoming to all and allow everyone to participate and contribute
- **Quality** – continuous quality improvement; evidencing individual and community impact; continuing innovation; and development of effective delivery models;
- **Building stronger, healthier and more inclusive communities** - developing community assets including volunteers; developing individual and community learning and skills to meet current and future needs and support current and future change with resilience; and sustainable community-based initiatives including social enterprise;
- **Working in partnership** - support effective partnerships between the voluntary, statutory and private sectors to address identified community needs.

SCDA currently works through 12 key services delivering: Thriving People, Thriving Communities and Shared Prosperity.

5. Achievements and performance

Thriving People:

Healthy Lifestyles

SCDA coordinates the delivery of asset based community development to address health inequalities across East Sussex.

Developing activities to address the wider determinants of health and wellbeing: including supporting access to green and blue open spaces by all and encouraging community gardens. Research with academic partners into the health and wellbeing impacts of access to open spaces.

Wellbeing

Building access to counselling through Sussex community Counselling. Supporting people affected by suicide. Supporting the mental wellbeing of young people.

Loneliness and Social Isolation

Supporting individual and community wellbeing by promoting community connections. Delivering befriending activities and promoting volunteering and community messengers.

Young people

Work with Young People aged 8 to 18, delivering information and advice through Drop In and a range of youth activities across the Havens and Lewes. Facilitating an active Young people's voice through the young People's Forum.

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Thriving Communities:

Family Inclusion

Enabling parents and carers to access high quality family learning and wider support activities with children. Actively engaging with parents through a vibrant Families Forum.

Community Inclusion

Building community engagement and links, supporting access to services by local people from diverse ethnic backgrounds through Sompriti and supporting people who are victims of crime.

Community Hubs

Promoting community action and assets through local projects and volunteering and developing community hubs as community resources.

Environment and Climate Change

Strengthening community resilience to climate change and animating activities to instigate changes including active travel and community gardens.

Shared Prosperity:

Food Security

Coordinating the emergency food response across the Havens and supporting the development of the Lewes District Food Partnership.

Employability

Delivering high quality information, advice and guidance to local people facing multiple barriers to employment. We support local businesses to recruit locally. We maintain best practice to the IAG/Matrix quality standard. Outreach work across Lewes District, Wealden, Eastbourne, Hastings and Rother demonstrating the effectiveness of delivery to meet the needs of people vulnerable in the labour market and access to work, learning and volunteering opportunities. Employment Navigators are supporting people to address the positive contribution of being in work to individual health and well-being. Funding lead for partner delivery in Kent.

Community Advice

Services to ensure local and timely access to quality assured, free, confidential, impartial information and specialist advice across East Sussex, particularly addressing access to welfare benefits and debt specialist advice, the impacts of inflation and the cost of living and supporting access to advice through Advice Navigators. Supporting access to advice to address the wider determinants of health and wellbeing.

Social Enterprise

Identifying and realising opportunities to develop social enterprise to meet community needs.

In setting our objectives and planning our activities, SCDA trustees have given careful consideration to the Charity Commission general guidance on public benefit.

Further details of all SCDA projects and services are contained within the SCDA Annual Report 2021/2022.

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

6. Financial Review

As always, SCDA's trustees, on behalf of the people who access SCDA services, are most grateful to the funders and contract clients who have supported SCDA's work during this last and previous years.

Income

Total income for the year was £5,063,085 which was up 28% up on the previous year.

Unrestricted income from Charitable activities increased by 10% while Restricted income increased by 48%, due largely to an increase of £537k in Employability programs, in particular Minding the Gaps, Grow your Futures and Moving on Up.

Donation income, the majority of which is unrestricted, increased by 79% as shops and services re-opened after COVID. However, at £151k, donation income represents only 3% of the total income.

Sources of Income

Income from Social Enterprise remained at 10% of total income as revenues also grew, in particular after the difficult lock down trading in 2020/21, although the post Covid19 trading environment has meant it has been difficult to maintain profit levels in these operations. Nursery was 15% up in the year at £361k and remains over 70% of total Social Enterprise income.

Income from Contracted Services was also up by 24% and remains at 34% of the total income. Growth was achieved in particular through the Employability projects and an increase in funds for Making it Happen. It should be noted, that given the disruption from Covid19, the organisation was unable to spend some elements of contract income received during the year and agreed with funding partners to carry unspent funds into 2022/23.

Charitable Gifts and Donations remain fundamental to the ongoing ability of SCDA to deliver services. Income sources include small donations to help support the foodbank, Big Lottery which allow us to run Advice Services and a wide range of other funders which are vital for Family learning activities, Employment Support and Youth Services.

Expenditure

Total Expenditure remained at just over 94% of turnover for the year with total spend of £4,773,620.

Reserves

Restricted funds can only be spent in accordance with mutual agreements with funders. However, trustees can use the Charity's 'free reserves' as they see fit, as long as this is in furtherance of the charity's objects as registered with the Charity Commission. As a charity whose operations are focused on the more deprived parts of East Sussex, SCDA has little call on individual donations of cash, although a significant amount of support is given in the form of people's generous contribution as volunteers. As a result, the Trustees especially value the potential of free reserves to initiate or give on-going support to SCDA services in response to need, even when available funding is insufficient.

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

SCDA's free reserves are calculated as follows:

At 31 March 2022, SCDA's total reserves was £2,028,134, an increase of 17%. Free reserves at the same date were £794,395, an increase of £54,104.

| | 2022 | 2021 |
|---|----------|----------|
| Total unrestricted funds | £794,395 | £740,291 |
| Of which: Unrestricted operational fixed assets | £619,544 | £602,207 |
| Free reserves | £174,851 | £138,084 |

The Trustees monitor closely the sustainability of the charity's operations and are committed to increasing the level of free reserves.

In determining that the charity is able to operate in the current reserves position, the trustees take account of the following:

- The nature of the charity's mode of operation is that it only undertakes projects if adequate funding of both direct and indirect costs has been secured. Funding is generally secured for specified periods and projects are staffed and operated in a manner that enables costs to be eliminated after funding has ceased.
- There is considerable unused borrowing capacity in the charity's unrestricted fixed assets. The charity currently has no borrowings.
- Social enterprise is used as a means of generating funds to support activities for which external grant or contract funding cannot be secured.

7. Plans for the future

The overall direction of SCDA's activities is set through the 3 year strategic planning cycle. The Vision 2022-25 aims to contribute positively to the quality of life of local people, developing community assets and maintaining and developing services to build healthy and sustainable communities by delivering services within the 3 themes:

- Thriving People
- Thriving Communities
- Shared Prosperity

The Board aims to develop the distinctive contribution of SCDA by developing emphasis on community needs; building integrated working internally to address multiple issues; community links and user involvement; ensuring services are inclusive; the quality of provision; effective partnership working externally.

The Board also assess the impact and the difference SCDA services are making through the co-production of impact measures, individual action plans, community impact, independent evaluations and economic evaluation.

SCDA is a development trust, a community-led and community-owned organisation, which works as a 'community anchor' – delivering services and facilities, finding solutions to local problems and helping other organisations and initiatives succeed. SCDA is independent but works with the public sector, private businesses and other community groups. SCDA aims to use self-help, trading for social purpose and development of individual and community assets to bring long-term social, economic and environmental benefits to the community.

8. Disclosure of information to auditors

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

9. Auditors

A resolution will be put to the Annual General meeting to appoint auditors for the year ending 31st March 2023.

Signed on behalf of the Board of Trustees by:



**John Cornish
Trustee (Chair)
12 November 2022**



**Helen Macaulay
Trustee (Treasurer)
12 November 2022**

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees, who are also the directors for the purposes of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard in the UK and the Republic of Ireland'.

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the 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 year.

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

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities' SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate 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.

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

We have audited the financial statements of Sussex Community Development Association Ltd ('the charitable company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the trustees' report, which includes the directors' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit,

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained during the audit, we have not identified material misstatements in the directors' included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit 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 auditor's 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's members as a body, for our audit work, for this report, or for the opinions we have formed.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience, and through discussion with the trustees and other management (as required by auditing standards), and discussed with the trustees and other management the policies and procedures regarding compliance with laws and regulations (see below);
- We identified the following areas as those most likely to have such an effect: health and safety; General Data Protection Regulation (GDPR); fraud; bribery and corruption, and employment law. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. The identified actual or suspected non-compliance was not sufficiently significant to our audit to result in our response being identified as a key audit matter.
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Charities Act 2011) and the relevant tax compliance regulations in the UK;
- We considered the nature of the charity's operations, the control environment and financial performance.
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the charity has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations

Use of our Report

This report is made solely to the Group's and the Charity's members, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the Group's and to the Charity's members those matters we are required to state to them in an Auditor's 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 Group and the Group's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Cummins FCCA (Senior Statutory Auditor)

for and on behalf of TC Group

Statutory Auditor

Office: Steyning, West Sussex

Dated:.....

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2022

| | Notes | Unrestricted funds £ | Restricted funds £ | Total 2022 £ | Total 2021 £ |
|--|-------|----------------------------|--------------------------|--------------------|--------------------|
| Income | | | | | |
| Donations and legacies | 4(a) | 133,066 | 17,896 | 150,962 | 84,356 |
| Income from investments | | 53 | - | 53 | 181 |
| Other Income | 4(b) | 1,308 | - | 1,308 | 97,982 |
| | | 134,427 | 17,896 | 152,323 | 182,519 |
| Income from charitable activities | | | | | |
| Development of East Sussex | 5 | 1,928,929 | 2,981,833 | 4,910,762 | 3,767,553 |
| Total income | | 2,063,356 | 2,999,729 | 5,063,085 | 3,950,072 |
| Expenditure | 6 | | | | |
| Expenditure on charitable activities | | | | | |
| Development of East Sussex | | 2,009,252 | 2,764,368 | 4,773,620 | 3,733,567 |
| Total expenditure | | 2,009,252 | 2,764,368 | 4,773,620 | 3,733,567 |
| Net income/(expenditure) and net movement in funds for the year | | 54,104 | 235,361 | 289,465 | 216,505 |
| Reconciliation of funds | | | | | |
| Fund balances brought forward at 1 April 2021 | | 740,291 | 998,378 | 1,738,669 | 1,522,164 |
| Fund balances carried forward at 31 March 2022 | 15 | 794,395 | 1,233,739 | 2,028,134 | 1,738,669 |

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

All activities of the charity are classed as continuing. There are no recognised gains or losses other than those reported on the Statement of Financial Activities.

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

BALANCE SHEET

AS AT 31 MARCH 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|---|-------|------------------|------------------|------------------|------------------|
| Fixed assets | | | | | |
| Tangible assets | 10 | | 1,365,013 | | 1,366,929 |
| Current assets | | | | | |
| Debtors | 11 | 276,556 | | 115,638 | |
| Short term deposits, cash at bank and in hand | | 1,083,621 | | 706,907 | |
| | | <u>1,360,177</u> | | <u>822,545</u> | |
| Creditors: amounts falling due within one year | 12 | <u>(697,056)</u> | | <u>(450,805)</u> | |
| Net current assets | | | <u>663,121</u> | | <u>371,740</u> |
| Total assets less current liabilities | | | <u>2,028,134</u> | | <u>1,738,669</u> |
| The funds of the charity: | | | | | |
| Restricted funds | 14 | | 1,233,739 | | 998,378 |
| Other charitable funds | | | | | |
| Unrestricted income funds | 15 | | 794,395 | | 740,291 |
| Total charity funds | | | <u>2,028,134</u> | | <u>1,738,669</u> |

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the Company.

The notes on pages 18 to 29 form part of these accounts.

The financial statements were approved by the Board on

and signed on its behalf by

John Cornish
Trustee (Chair)

Helen Macaulay
Trustee (Treasurer)

Company Registration No. 03387617

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

STATEMENT OF CASHFLOWS

FOR THE YEAR ENDED 31 MARCH 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|---|-------|----------------|------------------|-----------|----------|
| Cash flows from operating activities: | | | | | |
| Net income/(expenditure) for the year | | 289,465 | | 216,505 | |
| Adjustments for: | | | | | |
| Depreciation charges | 6 | 22,572 | | 24,297 | |
| Dividends, interest and rents from investments | | (53) | | (181) | |
| (Increase)/decrease in debtors | 11 | (160,918) | | 16,682 | |
| Increase/(decrease) in creditors | 12 | 246,251 | | 30,697 | |
| | | | | | |
| Net cash provided by/(used in) operating activities | | | 397,317 | | 288,000 |
| Cash flows from investing activities: | | | | | |
| Dividends, interest and rents from investments | | 53 | | 181 | |
| Purchase of tangible assets | 10 | (20,656) | | (49,769) | |
| | | | | | |
| Net cash provided by/(used in) investing activities | | | (20,603) | | (49,588) |
| | | | | | |
| Change in cash and cash equivalents in year | | | 376,714 | | 238,412 |
| Cash and cash equivalents at the beginning of the year | | | 706,907 | | 468,495 |
| | | | | | |
| Cash and cash equivalents at the end of the year | | | 1,083,621 | | 706,907 |
| | | | | | |
| Cash and cash equivalents above are represented by: | | | | | |
| Cash at bank and in hand | | | 1,083,621 | | 706,907 |

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Statutory Information

The charity is a charitable company, limited by guarantee, registered in England and Wales. The registered office, company number and charity number are detailed on the Legal and Administrative Information page.

2 Accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Sussex Community Development Association Ltd ("SCDA") meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

After reviewing the charity's forecasts and projections, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements

The financial statements are prepared in Pounds Sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest pound.

2.2 Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Funds received that do not meet these criteria are recorded as deferred income at the year end.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Other income, including investment income, rental income, café income and nursery fee income is recorded on an accruals basis.

2.3 Expenditure

Expenditure is included on an accruals basis with the irrecoverable element of Value Added Tax included within the item of expense to which it relates. Costs relating specifically to a particular activity are allocated directly, others are apportioned on a basis deemed appropriate by the Trustees upon consideration of the use of the resource.

Governance costs comprise those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land and leasehold property are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|--------------------------------|--|
| Leasehold property | 125 years straight line over the term of the lease |
| Solar panels | 20 years straight line |
| Youth shelters, Newhaven | 25 years straight line |
| Green gym, Hailsham | 5 years straight line |
| 28 High St Hailsham | 50 years from 2015 |
| Denton Island Youth Centre | 75 years from 2021 |
| Fixtures, fittings & equipment | Between 20% and 100% straight line |

Long leasehold property is held at fair value, which is based on formal independent valuations. Details of the most recent valuation can be found in the notes to these accounts. The directors review the valuation for impairment annually.

2.5 Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

2.6 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term liquid investments. The trustees seek to use short and medium term deposits where possible to maximise the return on monies held at the bank and to manage cash flow.

2.7 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.

2.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments. Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument. Basic financial instruments are recognised at amortised cost.

2.9 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

2.10 Pensions

The charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

2.11 Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2.12 Employee benefits

Termination benefits are recognised as an expense when the charity is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the charity has made an offer of voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

2.13 Legal status

Sussex Community Development Association Ltd is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is Ltd to £1 per member of the charity.

2.14 Accumulated funds

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

Unrestricted funds - these are funds, which are available for use at the trustees' discretion in furtherance of the objectives of the charity.

3 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Long leasehold valuation

The valuation of long leasehold property is based on a November 2015 ML Chartered Surveyors valuation report prepared in accordance with the Practice Statements of the Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Standards. On the basis of a professional valuation carried out in August 2021 the directors are of the opinion that the valuation within this report is still appropriate at the balance sheet date.

Key sources of estimation uncertainty

The Trustees are of the opinion that there are no estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities.

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4(a) Donations and legacies

| | Unrestricted funds £ | Restricted funds £ | Total 2022 £ | Total 2021 £ |
|---------------------|----------------------------|--------------------------|--------------------|--------------------|
| Donations and gifts | 133,066 | 17,896 | 150,962 | 84,356 |

SCDA benefits greatly from the involvement and enthusiastic support of its many volunteers, details of whom are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

4(b) Other income

| | Unrestricted funds £ | Restricted funds £ | Total 2022 £ | Total 2021 £ |
|-------------------------|----------------------------|--------------------------|--------------------|--------------------|
| CJRS government funding | 1,308 | - | 1,308 | 97,982 |
| | 1,308 | - | 1,308 | 97,982 |

5 Income from charitable activities

| | Unrestricted funds £ | Restricted funds £ | Total 2022 £ | Total 2021 £ |
|---------------------|----------------------------|--------------------------|--------------------|--------------------|
| Grants receivable | - | 2,981,833 | 2,981,833 | 2,017,508 |
| Contracted services | 1,535,396 | - | 1,535,396 | 1,586,430 |
| Social enterprise | 359,053 | - | 359,053 | 133,911 |
| Room hire | 34,480 | - | 34,480 | 29,704 |
| | 1,928,929 | 2,981,833 | 4,910,762 | 3,767,553 |

Included within grants receivable are the following:

| | | |
|--|-----------|-----------|
| Aspire Sussex | 40,714 | 57,323 |
| Bernard Sunley | 35,000 | - |
| Big Lottery Fund – Befriending Project inc Counselling | - | 58,132 |
| Big Lottery Fund – GSA Project | 99,634 | 50,800 |
| Big Lottery Fund – Let's Get Working 2.7 | 979,508 | 1,066,166 |
| Big Lottery Fund – Strength in Numbers | 247,454 | 82,484 |
| Big Lottery Fund – Youth Building Project | 39,787 | - |
| Brighton and Hove City Council Housing Office | - | 3,100 |
| Brighton and Hove Food Partnership | 700 | - |
| Charity Aid Foundation | - | 41,940 |
| Children in Need | - | 9,818 |
| Balance carried forward | 1,442,797 | 1,369,763 |

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Income from charitable activities (continued)

| | | |
|--|------------------|------------------|
| Balance brought forward | 1,442,797 | 1,359,945 |
| Cook's Charity | - | 3,000 |
| DTA | 1,950 | - |
| East Sussex Community Voice – VRAC | 21,611 | 20,163 |
| Ernest Kleinwort Charitable Trust | 9,974 | 11,950 |
| ESCC | 996,335 | 123,947 |
| Friends – C2C Recycle | - | 9,754 |
| Friends of Newhaven Foodbank | 9,582 | 5,489 |
| Groundworks UK Tesco Bags of Help | - | 1,990 |
| Hastings Borough Council | 33,320 | 25,679 |
| Hubbub | 3,000 | - |
| Lewes District Council – Covid Shop Grants | 5,334 | 39,815 |
| Lewes District Council – Pocket Park Funding | - | 15,195 |
| Lewes District Council – Foodbank funding | - | 11,000 |
| Lewes District Council – Safe From Harm | - | 3,750 |
| Lewes District Council – Sompriti funding | 7,500 | 10,000 |
| Lewes District Council – Social Enterprise Incubator | 37,185 | - |
| LOSRRAS | - | 10,250 |
| Masonic Charitable Fund | 25,000 | - |
| Newhaven Town Council – Foodbank | 6,500 | 6,000 |
| Newhaven Town Council – Youth funding | 2,050 | 9,938 |
| Newhaven Town Council – Community Garden | - | 10,000 |
| Newhaven Town Council – Christmas event | 3,740 | - |
| Newhaven Town Council – Van | 1,500 | - |
| Newhaven Young Peoples Forum | - | 10,000 |
| Peacehaven Town Council - Foodbank | 1,759 | - |
| Peter Harrison Foundation | 9,000 | 9,000 |
| Porchlight – Aspirations Project | 142,222 | 136,167 |
| Postcode Lottery Local Trust | - | 11,460 |
| Power To Change | - | 25,000 |
| Rampion Offshore | - | 500 |
| Rother District Council | - | 5,000 |
| South Downs National Park Authority | 20,302 | - |
| Sussex Community Foundation | - | 49,737 |
| Sussex Police – Rural DVA | 23,058 | 16,959 |
| This Girl Can Community Fund | 9,950 | - |
| The Pilgrims Trust | - | 10,000 |
| The Trees Community Association | 67,647 | 32,310 |
| Transport Signs – Newhaven Harbour Mural | - | 4,305 |
| University of Brighton | 3,686 | 1,885 |
| Veolia ES South Downs | 69,146 | - |
| Wealden District Council – Safe From Harm | - | 5,000 |
| Other grants | 27,685 | 12,502 |
| | 2,981,833 | 2,017,508 |

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Total expenditure

| | Staff costs £ | Depreciation £ | Other costs £ | Total 2022 £ | Total 2021 £ |
|-----------------------------------|---------------------|-------------------|---------------------|--------------------|--------------------|
| Charitable activities | | | | | |
| <u>Development of East Sussex</u> | | | | | |
| Activities undertaken directly | 1,983,565 | 22,572 | 2,467,455 | 4,473,592 | 3,423,270 |
| Support and governance costs | 260,342 | - | 39,686 | 300,028 | 310,297 |
| Total Resources Expended | 2,243,907 | 22,572 | 2,507,141 | 4,773,620 | 3,733,567 |

Governance costs include amounts due to the charity's auditors of £9,689 (2021: £10,363) for audit fees and £nil (2021: £560) for non-audit fees.

7 Analysis of support and governance costs

| | Total 2022 £ | Total 2021 £ |
|-----------------------------|--------------------|--------------------|
| Staff costs | 260,342 | 278,053 |
| Other administration | 26,156 | 17,038 |
| Legal and professional fees | 3,841 | 4,283 |
| Audit and accountancy | 9,689 | 10,923 |
| | 300,028 | 310,297 |

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

8 Fund movements: Statement of Financial Activities – Year to 31 March 2021

| | Notes | Unrestricted funds £ | Restricted funds £ | 2021 Total funds £ |
|---|-------|-------------------------|-----------------------|--------------------------|
| <u>Income</u> | | | | |
| Donations and legacies | 4(a) | 75,614 | 8,742 | 84,356 |
| Income from investments | | 181 | - | 181 |
| Other income | 4(b) | 97,982 | - | 97,982 |
| | | <u>173,777</u> | <u>8,742</u> | <u>182,519</u> |
| Incoming resources from charitable activities: | | | | |
| Development of East Sussex | 5 | 1,750,045 | 2,017,508 | 3,767,553 |
| Total income | | <u>1,923,822</u> | <u>2,026,250</u> | <u>3,950,072</u> |
| <u>Expenditure</u> | | | | |
| Charitable activities: | | | | |
| Development of East Sussex | 6 | <u>1,770,978</u> | <u>1,962,589</u> | <u>3,593,871</u> |
| Total expenditure | | <u>1,770,978</u> | <u>1,962,589</u> | <u>3,733,567</u> |
| Net movement in funds | | 152,844 | 63,661 | 216,505 |
| Fund balances brought forward at 1 April 2020 | | <u>587,447</u> | <u>934,717</u> | <u>1,522,164</u> |
| Fund balances carried forward at 31 March 2021 | | <u>740,291</u> | <u>998,378</u> | <u>216,505</u> |

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

9 Analysis of employee numbers and costs, trustee remuneration and expenses, and the cost of key management personnel

The charity's trustees were not paid nor did they receive any other benefits from employment with SCDA (2021: £nil) neither were they reimbursed expenses during the year (2021: £nil). Except as disclosed in note 17 Related Parties, no trustee received payment for professional or other services supplied to the charity (2021: £nil).

The key management personnel of the charity comprise the Chief Executive Officer, Finance Director and HR Director. The total employee benefits of the key management personnel of the charity were £175,404 (2021: £177,809).

Number of employees

The average monthly number of employees as full time equivalents during the year was:

| | 2022 Number £ | 2021 Number £ |
|----------------------------|---------------------|---------------------|
| Project workers | 72 | 66 |
| Administration and support | 5 | 6 |
| | <u>77</u> | <u>72</u> |

The full time equivalent staff numbers are reported above. The total number of full and part-time staff employed at 31 March 2022 was 100 (2021: 93).

Employment costs

| | 2022 £ | 2021 £ |
|-----------------------|------------------|------------------|
| Wages and salaries | 2,034,264 | 1,776,992 |
| Social security costs | 156,877 | 131,540 |
| Other pension costs | 52,766 | 58,741 |
| | <u>2,243,907</u> | <u>1,957,273</u> |

Employment costs include redundancy costs totalling £nil (2021: £6,740).

Number of employees whose emoluments for the year exceeded £60,000:

| | 2022 | 2021 |
|-------------------|------|------|
| £60,000 - £69,999 | 2 | - |
| £70,000 - £79,999 | 1 | - |
| £90,000 - £99,999 | - | 1 |

Contributions totalling £4,279 (2021: £2,784) were made during the year to a pension scheme on behalf of the above employees.

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Tangible fixed assets

| | Land and buildings | Youth shelters & Green Gym | Computer Equipment, Trishaw & Boilers | Solar panels | Total |
|-------------------------|-----------------------|----------------------------------|--|---------------|------------------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| At 1 April 2021 | 1,371,529 | 24,649 | 17,359 | 97,305 | 1,510,842 |
| Additions | 11,373 | - | 9,283 | - | 20,656 |
| At 31 March 2022 | 1,382,902 | 24,649 | 26,642 | 97,305 | 1,531,498 |
| Depreciation | | | | | |
| At 1 April 2021 | 55,748 | 19,307 | 10,478 | 58,380 | 143,913 |
| Charge for the year | 15,429 | 540 | 1,738 | 4,865 | 22,572 |
| At 31 March 2022 | 71,711 | 19,847 | 12,216 | 63,245 | 166,485 |
| Net book value | | | | | |
| At 31 March 2022 | 1,311,725 | 4,802 | 14,426 | 34,060 | 1,365,013 |
| At 31 March 2021 | 1,315,781 | 5,342 | 6,881 | 38,925 | 1,366,929 |

The net book value of land and buildings comprises:

| | 2022 | 2021 |
|--|------------------|------------------|
| | £ | £ |
| Freeholds (Hailsham Properties 50 years from 2016) | 67,989 | 69,570 |
| Long leaseholds (over 50 years) | 733,480 | 740,400 |
| Youth Building (brought into use in April 2020) | 510,256 | 505,811 |
| | 1,311,725 | 1,315,781 |

Comparable historical cost for the land and buildings included at valuation:

| | 2022 | 2021 |
|--------------------------|----------------|----------------|
| Cost | 972,139 | 972,139 |
| Accumulated depreciation | 139,988 | 132,211 |
| At 31 March 2022 | 832,151 | 839,928 |

All other tangible fixed assets are stated at historical cost.

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Debtors

| | Total 2022 £ | Total 2021 £ |
|--------------------------------|--------------------|--------------------|
| Trade debtors | 238,306 | 115,638 |
| Prepayments and accrued income | 38,250 | - |
| | 276,556 | 115,368 |

12 Creditors: amounts falling due within one year

| | Total 2022 £ | Total 2021 £ |
|---------------------------------|--------------------|--------------------|
| Trade creditors | 245,437 | 225,445 |
| Taxes and social security costs | 144,247 | 93,505 |
| Other creditors | 34,860 | 34,384 |
| Accruals | 26,792 | 38,669 |
| Deferred income | 245,720 | 58,802 |
| | 697,056 | 450,805 |

Deferred income outstanding at the balance sheet date comprises of various income streams where the income recognition criteria outlined in the Statement of Recommended Practice (FRS 102) has not been met.

13 Pension and other post-retirement benefit commitments

The charity makes payments on behalf of the majority of its staff to individual defined contribution pension schemes. Amounts payable by the employer in the year were £52,766 (2021: £58,741) and £9,251 (2021: £11,959) was outstanding at the year end.

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

| | Balance at 1 April 2021 | Movement in funds | | Balance at 31 March 2022 |
|------------------------------------|----------------------------|-----------------------|-----------------------|-----------------------------|
| | £ | Incoming resources | Resources expended | £ |
| Youth Shelters | 5,343 | - | (540) | 4,803 |
| Victim Support | 2,649 | 11,529 | (12,864) | 1,314 |
| Children and Family Centre Capital | 217,710 | - | (6,920) | 210,790 |
| Advice Hub | 49,482 | 678,769 | (579,803) | 148,448 |
| Food Security | 106,833 | 132,117 | (146,371) | 92,579 |
| Sompriti | 10,318 | 19,029 | (16,179) | 13,168 |
| Openspaces | - | 302 | (302) | - |
| Solar Panels | 38,925 | - | (4,865) | 34,060 |
| Employability | 230 | 1,645,286 | (1,548,084) | 97,432 |
| Wellbeing | 1,940 | - | (1,940) | - |
| Youth projects | 27,191 | 86,266 | (100,607) | 12,850 |
| SCDA projects Youth Building | 502,744 | - | (6,928) | 495,816 |
| DICC Community Gardens | 25,195 | 104,146 | (107,402) | 21,939 |
| Community Hubs | - | 130,311 | (105,843) | 24,468 |
| Family Learning | 9,818 | 72,477 | (51,350) | 30,945 |
| Healthy Lifestyles | - | 74,248 | (66,306) | 7,942 |
| Social Enterprise | - | 43,299 | (6,114) | 37,185 |
| SCDA other | - | 1,950 | (1,950) | - |
| | 998,378 | 2,999,729 | (2,764,368) | 1,233,739 |

A portion of the remaining value of SCDA's 125 year lease on its Children and Family Centre (Denton Island Community Centre) is reported as a restricted fund. The Trustees recognise that their discretion over the use of this fund is restricted to the purpose agreed with each funder. In certain circumstances, where either the lease is sold or the use of the building is changed, or in some cases both of these, the funder's permission is required if the Charity is to retain the funds. In some cases the restriction is time limited. The Trustees are committed to running the Children and Family Centre for the benefit of Newhaven residents in the long term and therefore consider the possibility of either selling the lease or significantly changing its use to be remote.

Other restricted funds are as described in the Trustees' Report.

SUSSEX COMMUNITY DEVELOPMENT ASSOCIATION LTD

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Analysis of net assets between funds

| | Unrestricted funds | Restricted funds | Total 2022 |
|--|--------------------|------------------|------------------|
| | £ | £ | £ |
| Fund balances at 31 March 2022 are represented by: | | | |
| Tangible fixed assets | 619,544 | 745,469 | 1,365,013 |
| Current assets | 871,907 | 488,270 | 1,360,177 |
| Creditors: amounts falling due within one year | (697,056) | - | (697,056) |
| | <u>794,395</u> | <u>1,233,739</u> | <u>2,028,134</u> |

| | Unrestricted funds | Restricted funds | Total 2021 |
|--|--------------------|------------------|------------------|
| Fund balances at 31 March 2021 are represented by: | | | |
| Tangible fixed assets | 602,207 | 764,722 | 1,366,929 |
| Current assets | 588,889 | 233,656 | 822,545 |
| Creditors: amounts falling due within one year | (450,805) | - | (450,805) |
| | <u>740,291</u> | <u>998,378</u> | <u>1,738,669</u> |

16 Commitments under operating leases

At 31 March 2022 the company had total commitments under non-cancellable operating leases as follows:

| | Land and buildings | | Other | |
|--------------------------------|--------------------|---------------|---------------|---------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Due within one year | 63,875 | 25,665 | 12,032 | 10,080 |
| Due between two and five years | <u>15,083</u> | <u>-</u> | <u>1,270</u> | <u>11,350</u> |
| | <u>78,958</u> | <u>25,665</u> | <u>13,302</u> | <u>21,430</u> |

In addition to the above the company is committed to the payment of ground rent at a rate of £4,000 per annum in respect of a 125 year lease on the Denton Island Community Centre which commenced on 16 November 2003.

Lease payments recognised as an expense in the year amounted to £104,770 (2021: £99,532).

17 Related parties

The following transactions with related parties had the potential to inhibit SCDA from pursuing its aims independently. SCDA is a community organisation making such relationships common and the Trustees are satisfied that SCDA's separate interests have been fully served in relation to these transactions.

SCDA contracted with Curved Thinking, of which Mr John Bell is a director, for monitoring and evaluation work at a total cost of £19,440 (2021: £12,000).