



SCRATCH

ANNUAL REPORT

2020 to 2021



Registered Charity No. 1078344

OUR MISSION STATEMENT IS: -

To relieve the effects of poverty for families and individuals with needs recognised by approved referral agencies in Southampton and the surrounding area and to support likeminded organisations.

CHAIRS REPORT FOR 2020 TO 2021

When I drafted the last report, in June 2020, only the most sombrely pragmatic of us would have anticipated the country would be in a broadly similar position in June 2021. It's a testament to SCRATCH that both board and senior managers were awake to that possibility and that we've taken a cautious approach throughout to fully reopening our projects. It's meant we're still here and still serving our clients.

That's not to say that the financial year hasn't been challenging. A big demand for our services - some record monthly figures for DORCAS and the highest number of children and young people helped through Christmas Complete - while our shops were shut for months on end, has meant we've had to be financially prudent, yet still being wise to operating in a Covid-safe manner. The fact that we could run all our projects without anyone (staff, volunteers or clients) contracting the virus via SCRATCH is a testament to good practice.

We have taken on a new driver, thanks to funding from both Southampton City Council (SCC) and the Lottery, which has meant we've been able to serve more clients in a more timely manner.

A new vehicle (with another one on order) has helped in that regard and we're grateful to all the companies and individuals who pitched in to make that possible. We're also grateful to SCC for trusting us with running the Winter Fund on their behalf, a project which dovetailed neatly with what we already do. It may be a cliché but like so many clichés it's true: our supporters make our work possible.

As 2022 looms on the horizon, we know that challenges will remain, particularly in terms of finding new retail premises to replace our shop in East Street, whose lease ran out in the summer, and recruiting more members to the board. We are ready to embrace new opportunities, so long as they align with our core business. Furniture packages make a house a home: a washing machine means clean uniform to go to school with: presents round the tree create happy faces on Christmas morning. SCRATCH is part of delivering all that.

Ann Laird

Chair of the Board of Directors

REPORT FROM THE SENIOR MANAGEMENT TEAM

This won't be the only annual report that reflects on a very unusual year, as with everyone else we found ourselves in unknown territory and had to adapt quickly to a new way of operating to ensure we continued to help the most needy at an extraordinary time. The operating centre at Mount Pleasant went into lockdown where only a skeleton staff operated, with others either working from home or on furlough, and nonessential activities brought to a halt. However, it soon became clear that this wasn't going to be a quiet year for us: with most people unable to get out to buy essential items and many others financially impacted by the pandemic we found ourselves busier than ever providing all sorts of assistance to clients in need. Our long-established relationship with Southampton City Council has ensured all residents in need have been able to access essential services through the Dorcas project, Discretionary fund and also the Winter fund. Over £400,000 expenditure went on provision of Furniture, appliances and electric top up payments. We have continued to extend our area of reach and now service the whole of Hampshire with regular referrals from Vivid Housing and New Forest District Council among others.



In October we made the decision to replace our 12-year-old lorry with a brand-new vehicle which arrived in January, at the same time as we sold our lorry. The new vehicle is far more economical and has proved to be so successful that we decided to order a second one to replace our smaller van which was stolen just after Christmas. The deposit was paid in February with the vehicle due to arrive in May. We are particularly grateful for the many donations that have come in to help pay for this replacement vehicle, both from individuals and organisations with special mention to the LCP Foundation and Vivid housing for their generous donations.

Financially it has been both a challenging and rewarding year, challenging as our retail income stream was severely hampered but rewarding as additional grant funding was secured as well as an increase in contracted work bringing in extra revenue. We also saw an encouraging increase in donations and fundraising income. We ended the year with an operating surplus of £40,000 and in addition took a government backed bounce back loan of £50,000 which we will hold in reserve for when it may be needed.

Mike Smith & Annette Davis

DORCAS PROJECT

'Making a house a home'

We started the year with the project closed as a result of the pandemic. However, it very quickly became evident that we would need to provide some sort of reduced service to support local agencies. Southampton City Council needed beds, small electrical items and kitchen

equipment to set up bed and breakfast type accommodation to get Southampton's homeless population off the streets and into somewhere safe. Other agencies also wanted to collect from us to help their client

Within 6 weeks or so of lockdown, it was clear that we would need to restart the project, albeit in a reduced format. We were thankful to funding from National Lottery, National Emergency Trust and Lloyds Bank Foundation which enabled us to purchase supplies of beds (to reduce the number of collections we had to make) as well as supplies of PPE, hand sanitiser and cleaning equipment so that we could operate safely. The restrictions meant that we had to reduce the number of people on



our vehicles from three to two and most deliveries and collections were to and from the front door to reduce undue contact with our clients and donors. We were so grateful to the few faithful volunteers who worked tirelessly in the office and out on our vehicles so that the project could continue.

In the year ending March 2021 we carried out 1595 deliveries (an increase of 19% on the previous year) which benefitted 1926 adults and 1424 children.

Dorcas Project provides either a full package of furniture when, for instance, people are setting up a home after experiencing homelessness or delivers single items, such as a bed when a toddler has outgrown their cot. We put together a package based on the needs of the household, always delivering the best goods we have available, but without offering choice, something that some people have complained about in the past. However, during the last year this has proved to be an advantage as most

other furniture reuse projects have had to close as they operate a 'shop' type service. The increase in the number of people we have helped and the wider area we have been asked to cover is testament to our reputation and great service delivery. It has been a privilege to continue servicing our most vulnerable neighbours in this very practical way.

This is highlighted by comments from three Housing Associations.

- ◆ "The client has been street homeless for a number of years and was offered the property at intensive life skills project, where they are responsible for a 1-flat within this project. This client came from a B&B where he was housed during the initial Covid-outbreak. When he moved into the project, he did not have any furniture, so we requested a Dorcas package. This enabled the client to start to build up a sense of normality and start to integrate into the community."
- ◆ "We are a charity involved with housing vulnerable adults in the community and regularly use SCRATCH furniture services. Our service users are most often single people that have fixed low incomes and start-up costs can be a huge barrier to them gaining tenancies and independence. The service SCRATCH provides helps overcome this, avoiding not only

large furniture costs but also making delivery convenient and with a very reasonable turnaround time. They are extremely helpful with delivery services, calling prior to arrival allowing time for our busy Housing Officers time to get to the property ahead of them. Many of our clients have urgency in their move situation, for example in cases of homelessness, and being able to furnish properties so quickly allows us to fulfil their needs as soon as possible. Their support is also ongoing throughout tenancies, offering additional furniture drop offs, food parcel referrals and meter top ups. With SCRATCH'S services we have been able to house an additional 28 tenants in the past 6 months with good quality furniture with packs tailored to the tenants' needs."

- ◆ "I do hope all you lovely people are keeping well and staying safe thank you for all you do for our tenants it changes so many lives and improves well-being. Thank you for the great way that you and your team work in partnership with us – often in very short timescales, challenging circumstances and always with a “can do” attitude – we truly appreciate the work of your project and the positive impact you make for our customers!"

Our aim is to do all Southampton deliveries within 4 working days and deliveries to the wider Hampshire area within 5 working days. Despite all the difficulties of the last year, the average lead time for the whole area was 3.97 days.

Thank you for the amazing service you provide, you don't realise until you go into clients' homes and see how appreciative they are of the furniture you provide. I was able to see for myself how excited a little boy of 6 was to show me his new bed that wasn't broken anymore. Social Worker

DISCRETIONARY FUND AND WELFARE LINE

'A Washing Machine means clean clothes to go to school with'

In the year ending March 2021, we have: -

- ◆ Issued 1081 (1073) utility vouchers to 866 households (949)
- ◆ Provided 554 (440) households with white goods
- ◆ Helped over 1723 (1546) Children
- ◆ Answered 2683 calls to the Welfare Line (61% increase)

Figures include SCC Winter Fund
Previous years' figures shown in brackets

On behalf of Southampton City Council, SCRATCH runs a Welfare Information Line which is open for direct access for Southampton residents who need help or signposting to other organisations for specialised advice. This includes referrals through to the local food banks operated by Southampton City Mission. Following calls to the Welfare Line and through referral from our normal referral agencies, we can offer Paypoint / Post Office Utility Top-Up Vouchers so that clients who are in crisis situations, meet the criteria of the scheme and are on a

key meter, can top-up their gas /electric. The fund also enables the supply of new white goods

to Southampton residents who are referred by a trusted referral agency and meet the priority need. This is often families who have been homeless and are moving into permanent accommodation and don't have finances to purchase the items themselves, or where an appliance (such as a washing machine) has broken and they cannot afford to repair or replace it.

Thank you so much for coming to fit my washing machine. I am over the moon and cannot describe how happy I am. The guys who came did such an amazing job.



In the three-month period from January to end March 2021, we were able to provide additional help to Southampton residents who had been adversely affected by COVID 19, through Southampton City Council's Winter Fund. The money through this scheme, provided by the Department for Works and Pensions, funded utility vouchers, supermarket food vouchers, clothes vouchers as well as vouchers for bedding and small electrical items. This was well used by schools, housing associations, job centres and other statutory and voluntary groups in the city to help some very desperate households. We were thankful that the funding allowed us to employ another part time person to join the Welfare Team to cope with the extra work. Some of the stories we heard from different schools were heart-breaking: here are just three.

- ◆ There are 2 adults and 6 children in household (primary and secondary age). Mum suffers with Fibromyalgia which has really flared up recently. She lost her job at the start of last year and has been unable to start work again since due to her health. Dad lost his business because of COVID. He has found alternative employment, but this pays significantly less than he was previously earning, so they are really struggling.
- ◆ Over the last year, finances have become a lot tighter due to a change in circumstance for the family. Usually the family just get by month to month, but this has become worse during lockdowns as her son only eats certain foods due to additional learning needs. The kids' father usually pays maintenance to the family, however he was furloughed and stopped for a few months which tightened things even more. Dad is a recovering alcoholic and despite taking a new job, stopped paying maintenance as he started to drink heavily again. Where they cannot get to a doctor, they have been paying for over the counter medicines and treatments for the children. When speaking to mum she said she feels there are families worse off than them, however, whatever help can be given she will be extremely grateful.
- ◆ The family have been "through the mill" as mum suffered high level domestic abuse, had issues with alcohol and has a turbulent relationship with her estranged family. The children have observed much of the above but despite this they have been in school each day (during lockdown and after) and for them school has been their safe place. The family live in a small flat, money is extremely tight as the mother does not work and there is no father to make child maintenance payments. The school has helped the family with many things

over the past couple of years, but the family remain on the poverty line. The lockdown period has made things even more complex for the family as they have not been able to gain support from friends and other relatives. Lockdown has also impacted on mum's ability to find work to support the family further.

During the year we have also been producing utility top up vouchers for an organisation on the Isle of Wight, Portsmouth City Council and Hampshire County Council, who have all had funding to help their disadvantaged residents.

CHRISTMAS COMPLETE

'Presents round the tree create happy faces on Christmas morning.'

Christmas Complete 2020 presented challenges that we have never had to face before – social distancing, wearing a face mask, constant hand sanitising and cleaning. With more than normal preparation and planning the project worked as well, if not better, than previous years. Reduced numbers of volunteers (and no larger groups from companies that often support us) meant we had to operate the project over a longer period of time and with so many late referrals we had to continue packing parcels longer than anticipated. Our grateful thanks go to all those who assisted in whatever capacity, especially those who helped for additional sessions to get the work done. The volunteers were all amazing and we were pleased that no one became ill as a result of their volunteering. In fact, the team were so pleased as to how it worked that some of the changes will be carried forward into future years.

We provided a parcel of 7 or 8 gifts to 2393 children and young people. An increase of 15% from the previous year.



Usually we have churches, schools and local businesses organise collections of toys and gifts for us. Obviously, this couldn't happen so we encouraged people to purchase items from our Amazon wish list or to make financial donations so that we could purchase items ourselves. Amazingly we were able to meet the demand and had a few items left to help families during the year who are escaping domestic abuse and have to leave everything behind.

As anticipated, the numbers helped were higher than in previous years, no doubt as many families were suffering financially as a result of COVID 19. We know that there were many happy faces on Christmas morning by the lovely comments we received. Some of which are shown below: -

- ◆ Hi, I just wanted to personally thank everyone for the box of gifts I received for my children this week. It has been an extremely hard year for our family with the sudden loss of my Mum along with the huge financial struggle of Covid. I was so worried I wouldn't be able to

give them the Christmas they are used to. Thanks to your kindness the additional things I received really made all the difference. Kind regards and a merry Christmas.

- ◆ I would like to say Thank you very much for all involved in the behind the scenes of delivering the Christmas Complete initiative! My children will be so grateful and will love everything provided. I've had a sneaky look and it's like you know my children personally. Everything is so well thought through and perfectly picked to make a child feel loved at Christmas. I would love to one day be in the position to be able to help and return the favour. Thanks again and wishing you all a Merry Christmas
- ◆ As a word of encouragement, I chatted with a Mum this morning who collected her parcels from us yesterday. She said that the gifts were just perfect for each of her 4 children and she wrapped them all last night. She was really appreciative of the obvious care that had gone into selecting the gifts. Thank you!



COMMUNITY REPAINT



This was one of the projects that we had to close for most of the year with only 283 litres of paint given out, compared to the normal 2,500 plus litres in previous years. As always, we are grateful to Dulux, Crown, Farrow and Ball, B&Q and Brewers for donations that we can pass onto referred clients and local community groups.

REMOVALS PROJECT

This project is designed to help people move home in emergency situations such as domestic abuse, illegal evictions, ill health and overcrowding. During the year we provided this service for 21 families referred by Winchester City Council, 7 families from VIVID Homes and 5 from other organisations. Overall, we were able to do 7 more removals than in the previous year.

CHARITY SHOPS

Like everyone else our retail opportunities were severely limited due to the pandemic this year. The lease on our East Street shop was due to end in June but as we hadn't been able to open at all until 19th June, we

extended for 3 months in order to run down stock and exit the building in September, our last trading day being 29th August. As a result, takings were just £5,265 for the year. My thanks go to all staff and

volunteers who have been involved in the Southampton shops over the years. We will return!

At New Milton we also had a disrupted year. Unable to open until 19th June, we had to close again for 4 weeks in November, re-opening on the 7th December for 3 weeks

and then remaining closed for the rest of the financial year. Naturally, this had an effect on sales, and takings for the year were £36,500, down from £93,500 the previous year. Shop manager Kelly has spent 7 months on furlough but has kept in touch with the volunteers who will return when the shop reopens on 15th April.

VOLUNTEERING

Things are very quiet around the SCRATCH site now, but the echoes of our former volunteers bustling about whilst doing their daily tasks; a laugh and a joke or a friendly, “How are you?” still resonate. It is very sad that we have had to say goodbye to some of our volunteers due to the new safety measures in place. Some of these have been loyal volunteers for many years and are dearly missed. It has been a difficult time for them and for those waiting patiently to return to their volunteer role with us. I’d like to take this opportunity to say a huge thank you to them for their contributions to SCRATCH, their patience, understanding, and for many, their continued commitment to SCRATCH’s goals and ethos.

I would also personally like to thank all volunteers who have carried on their volunteering role for SCRATCH throughout the pandemic. The load has been heavier than usual as the need for our service has increased across the city, whilst the number of volunteers has decreased. Without their commitment, dedication, and willingness to go the extra mile, we would not have continued to achieve the high-quality service SCRATCH is known for. A very heartfelt thank you goes out to them all.

The past year has been a time for reflection and for allowing more time for planning the future; a chance to learn from our mistakes and build on our strengths. As an organisation, we have always strived to meet the needs of SCRATCH, whilst offering volunteering opportunities that provide meaningful activity, a chance to socialise, and a place to grow in confidence, skills, and wellbeing. Moving forward, we have plans to rebuild a successful SCRATCH Volunteering Community. So far, we have created a new role for a Volunteer events Co-ordinator and a Work-experience programme. We have also designed a new Supported Work Experience scheme and a volunteer mentoring scheme, which will become realised once it is safe and practicable to do so, and sufficient funding is in place.

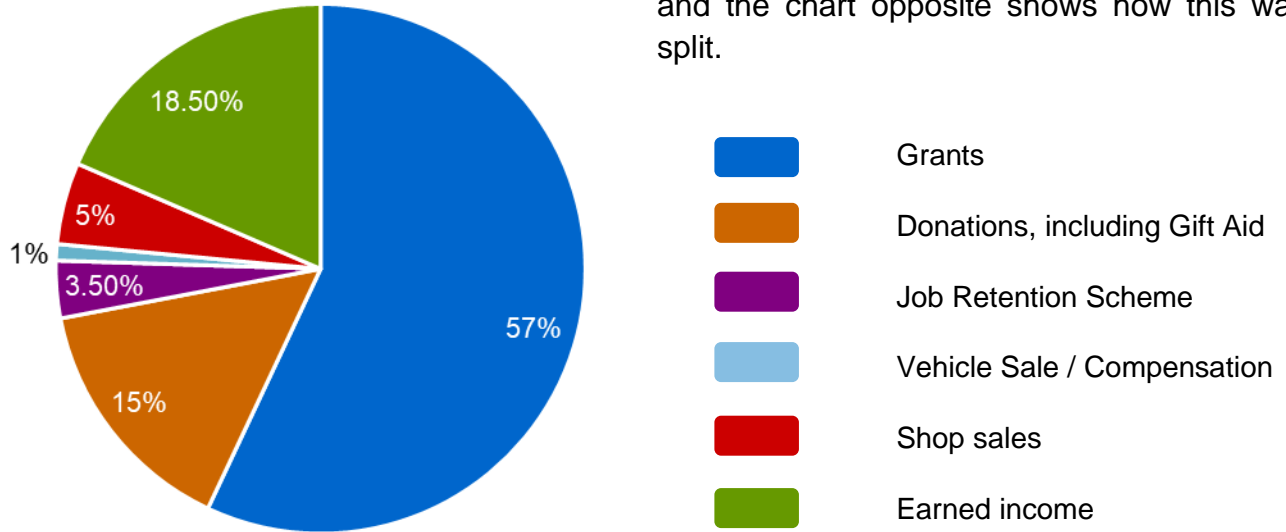
There is a positive energy surrounding our plans for a fresh start, which although they are still under development, are very exciting. I feel very privileged to have worked alongside some fantastic volunteers, past and present and look forward to a challenging but rewarding new phase in SCRATCH’s history.

Polly Burton, Volunteer Manager

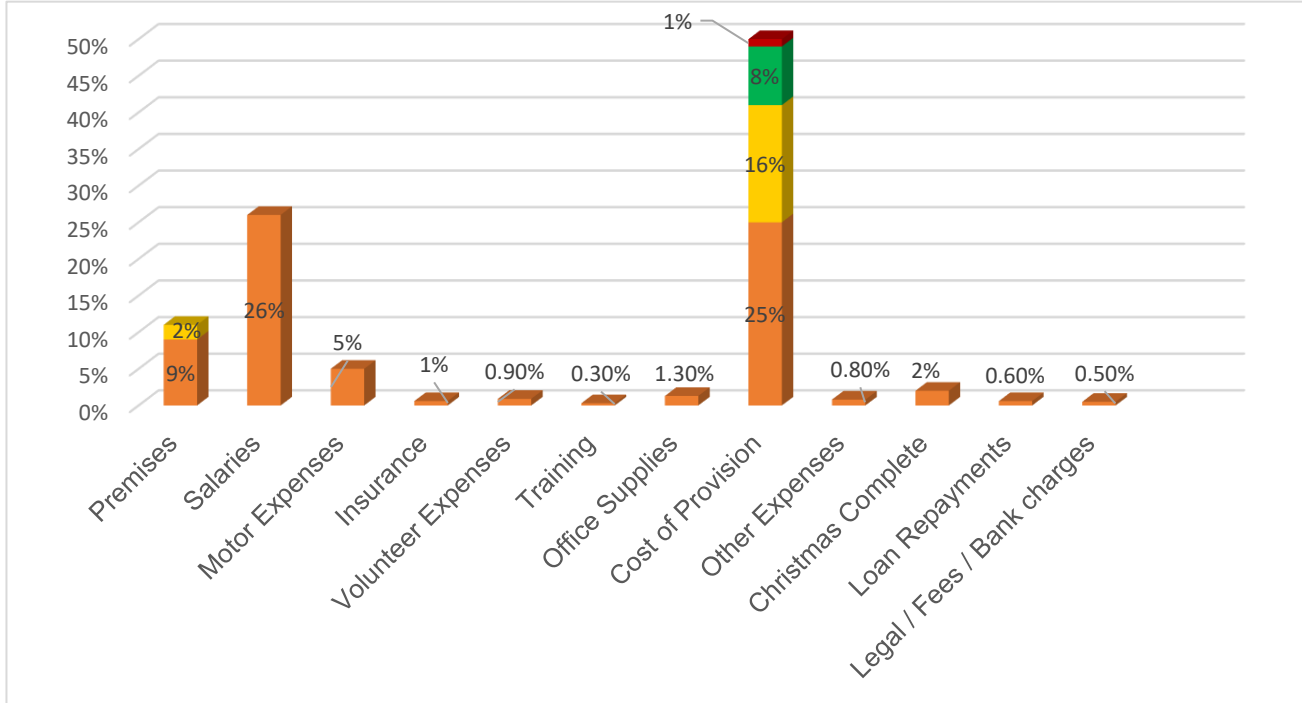
FINANCE

The last year has been a challenge, but we have been blessed financially and are indebted to the many people who support us regularly continuing to do so, despite added pressure on their own incomes.

The total income for the year was £859,935 and the chart opposite shows how this was split.



Our expenses came to £827,684, split as shown on the chart below.



Premises – Warehouse / Office = ■ Shops = ■
Cost of provision – Utility Top-up vouchers = ■ White Goods = ■
 Basic Pack Equipment = ■ Rent Deposit Payments = ■

The table below shows donations / grants over £1,000. We also received £30,000 from the Job Retention Scheme.

| | | | |
|-----------------------|----------|------------------------|--------|
| Statutory Authorities | £411,500 | Charlotte Bonham Trust | £3,000 |
| National Lottery | £ 55,273 | Jerusalem Trust | £2,000 |
| VIVID Housing | £ 12,022 | Pat New Memorial Trust | £2,000 |
| HIWCF | £ 9,740 | Abri Ltd | £1,500 |
| LCP Foundation | £ 7,820 | PCC of Shirley | £2,500 |

Board of Directors

Ann Laird (Chair)
David Bartlett
Nicholas Warn

Staff Team (as at 31 March 2021)

Mike Smith - Senior Manager (Operations)

Annette Davis - Senior Manager
(Resources)

Ian Dowdell - Furniture Manager

Paul Williams – Driver

Ian Arnold – Driver

**job share*

Polly Burton - Employment Support Officer

Kathryn Baker - Receptionist (part time)

Emma Mason - Welfare Information Officer*

Lucy Taylor - Welfare Information Officer*

Kelly Beck - Shop Manager (New Milton)

Supported by



SCRATCH, 33 Mount Pleasant Industrial Estate, Southampton, SO14 0SP

Tel: 023 8077 3132 e-mail: reception@scratchcharity.co.uk www.scratchcharity.co.uk

Southampton City and Region Action to Combat Hardship is registered as a Limited Company, Number 03830305 Registered in Cardiff.

Registered Charity Number 1078344



**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

| | <u>Page</u> |
|-----------------------------------|-------------|
| Company Information | 2 |
| Report of Directors | 3 |
| Profit and Loss Account | 5 |
| Balance Sheet | 6 |
| Notes to the Financial Statements | 8 to 12 |

The following do not form part of the statutory financial statements:

| | |
|-------------------------------|----|
| Statement by Directors | 13 |
| Independent Examiner's Report | 14 |

**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

**COMPANY and CHARITY INFORMATION
FOR THE YEAR ENDED 31 March 2021**

DIRECTORS/TRUSTEES:

D Bartlett
S Mihelic (resigned April 2020)
N Warn
A Laird

REGISTERED OFFICE:

33 Mount Pleasant Industrial Estate
Southampton SO14 0SP

REGISTERED NUMBER 3830305

REGISTERED CHARITY 1078344

INDEPENDENT EXAMINER:

Ken Stratton FMAAT
Kimball Smith Limited
Brewery House
High Street, Twyford
Winchester, Hampshire SO21 1RG

**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2021**

The directors present their report with the financial statements of the company for the year ended 31 March 2021

PRINCIPAL ACTIVITY

The principal activity of the charitable company in the year under review was to relieve the effects of poverty. Full details of the company's various projects are available from the registered office.

COVID-19

The lockdown caused by the Covid-19 pandemic has had some effect on the Company's activities and full details can be found in the Annual Report (available from the registered office).

While SCRATCH's core business remained active during the lockdown, the two shops were closed for a total of ten months between them and this has had an effect on the income during 2020/21 - mitigated to some extent by grants from Government and local authorities. The East Street shop ceased trading at the end of August 2020.

DIRECTORS

The directors, who are also trustees, shown below have held office during the period 1 April 2020 to the date of this report.

D Bartlett
S Mihelic (resigned April 2020)
N Warn
A Laird

LIMITED BY GUARANTEE

The company is limited by guarantee and the members have a liability of a maximum of £10 per member to the charity's assets if it should be wound up whilst he or she is a member, for the payment of charity's debts and liabilities.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

PUBLIC BENEFIT STATEMENT:

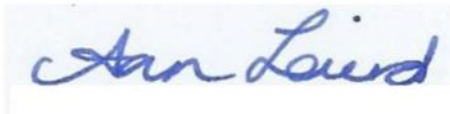
Unwanted household items will be collected from the public, cleaned and refurbished as necessary and distributed to those in need as assessed by the relevant agencies such as social workers, housing staff, school welfare staff and church leaders.

Public benefit can be shown by bringing relief to those in poverty, or at actual risk of being in poverty, thus preventing calls on the public purse for the provision of goods, services etc. in a time when funding is being severely constrained and local welfare provision is limited. Beneficiaries will also be given hope that they are not forgotten, giving rise to improved mental well-being. Relieving poverty promotes compassion and altruism and is generally regarded as 'a good thing'

The passing on of unwanted household items via the Dorcas Project lessens the impact on the environment of the use of landfill for waste.

Further details of our activities, which are all in accordance with the Charitable Company's Objects, are available from the registered office.

ON BEHALF OF THE BOARD:

A handwritten signature in blue ink, appearing to read "Alan Lewis", is written on a light blue rectangular background.

Director

Date: 26 November 2021

**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021**

| | 2021 | | | Notes | 2020 | | |
|---|------------------|--------------------|---------------|-------|------------------|--------------------|---------------|
| | Restricted Funds | Unrestricted Funds | Total | | Restricted Funds | Unrestricted Funds | Total |
| | £ | £ | £ | | £ | £ | £ |
| TURNOVER | 0 | 852,530 | 852,530 | 2 | 557 | 644,250 | 644,807 |
| Cost of Sales and Purchases | 0 | 446,462 | 446,462 | 3 | 0 | 182,497 | 182,497 |
| GROSS PROFIT | 0 | 406,068 | 406,068 | | 557 | 461,753 | 462,310 |
| Operating and Administrative Expenses | 0 | 381,222 | 381,222 | 4 | 297 | 444,151 | 444,448 |
| Other Operating Income | 0 | 24,846 | 24,846 | | 260 | 17,602 | 17,862 |
| | | 7,405 | 7,405 | 5 | | 9,529 | 9,529 |
| OPERATING PROFIT / (LOSS) | 0 | 32,251 | 32,251 | | 260 | 27,131 | 27,391 |
| Interest Receivable | | 0 | 0 | | 0 | 0 | 0 |
| | 0 | 32,251 | 32,251 | | 260 | 27,131 | 27,391 |
| Taxation | 0 | 0 | 0 | 6 | 0 | 0 | 0 |
| PROFIT/(LOSS) FOR THE FINANCIAL YEAR | 0 | 32,251 | 32,251 | | 260 | 27,131 | 27,391 |

**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

BALANCE SHEET 31 MARCH 2021

| | Note | 2021 | | 2020 | |
|--|------|---------|---------------|--------|---------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible Assets | 7 | | 2 | | 3 |
| CURRENT ASSETS | | | | | |
| Debtors | 8 | 44,698 | | 49,335 | |
| Cash at bank and in Hand | 9 | 120,360 | | 30,554 | |
| | | 165,058 | | 79,889 | |
| LOANS OUTSTANDING | 10 | 63,600 | | 18,400 | |
| CREDITORS | | | | | |
| Amount falling due within one year | 11 | 17,060 | | 9,343 | |
| NET CURRENT LIABILITIES | | | 84,398 | | 52,146 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 84,400 | | 52,149 |
| RESERVES | 12 | | | | |
| Profit and Loss Account | | | | | |
| Restricted Funds | 13 | | 0 | | 0 |
| Unrestricted Funds | 14 | | 84,400 | | 52,149 |
| | | | 84,400 | | 52,149 |

The notes on pages 8 to 12 form part of these financial statements

**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The directors who are also trustees acknowledge their responsibilities for:

(a) ensuring the company keeps accounting records which comply with the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 26 November 2021 and were signed on its behalf by:

A handwritten signature in blue ink that reads "Alan Lewis". The signature is written in a cursive style and is positioned above the word "Director".

Director

**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102 (effective January 2016).

Turnover

Turnover represents grants received, donations received and sales of goods and services. The Company is not registered for Value Added Tax (see also Note 2 below).

Tangible fixed assets

Depreciation is provided at appropriate annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. There was no stock of material value held at 31 March 2021 (nil also at 31 March 2020).

Pension costs and other post-retirement benefits

Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Going Concern

The accounts have been prepared on a going concern basis on the assumptions that the charity will continue to receive financial support from various sources as and when required. While there can be no guarantees of medium to long-term funding, the short-term position is satisfactory.

**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

2. **TURNOVER:**

This is made up as follows:

| | 2021 | | | | 2020 | | |
|----------------------|------------------|--------------------|----------------|------|------------------|--------------------|----------------|
| | Restricted Funds | Unrestricted Funds | Total | | Restricted Funds | Unrestricted Funds | Total |
| | £ | £ | £ | | £ | £ | £ |
| Donations received | | 82,311 | 82,311 | | | 64,555 | 64,555 |
| Grants received | | 477,012 | 477,012 | [i] | 557 | 277,620 | 278,177 |
| Charges for services | | 208,735 | 208,735 | | | 116,148 | 116,148 |
| Sales - Shop | | 39,159 | 39,159 | | | 155,656 | 155,656 |
| Other income | | 45,313 | 45,313 | [ii] | | 30,271 | 30,271 |
| | 0 | 852,530 | 852,530 | | 557 | 644,250 | 644,807 |

Notes: [i] Included in Grants received for 2021 is £83,906 grants received in respect of COVID support.

[ii] Mainly consists of income from fundraising events.

3. **COST OF SALES AND PURCHASES:**

This figure relates to purchases associated with the Welfare Scheme and Discretionary Fund (see also note 13 below).

4. **OPERATING AND ADMINISTRATIVE EXPENSES:**

This is made up as follows:

| | 2021 | | | | 2020 | | |
|---------------------------|------------------|--------------------|----------------|--|------------------|--------------------|----------------|
| | Restricted Funds | Unrestricted Funds | Total | | Restricted Funds | Unrestricted Funds | Total |
| | £ | £ | £ | | £ | £ | £ |
| Premises costs | 0 | 72,685 | 72,685 | | 0 | 92,580 | 92,580 |
| Employees (incl. oncosts) | 0 | 226,909 | 226,909 | | 0 | 217,301 | 217,301 |
| Volunteers' expenses | 0 | 4,020 | 4,020 | | 0 | 6,227 | 6,227 |
| Office costs | 0 | 16,099 | 16,099 | | 0 | 20,191 | 20,191 |
| Vehicles and travelling | 0 | 41,537 | 41,537 | | 0 | 40,071 | 40,071 |
| LWPS costs | 0 | 0 | 0 | | | 54,227 | 54,227 |
| Depreciation | | 1 | 1 | | | 0 | 0 |
| Other expenses | 0 | 19,971 | 19,971 | | 297 | 13,554 | 13,851 |
| | 0 | 381,222 | 381,222 | | 297 | 444,151 | 444,448 |

No directors received any emoluments or other benefits.

5. OTHER OPERATING INCOME:

This is made up of amounts recovered from HMRC under the Gift Aid scheme.

6. TAXATION:

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2021 as SCRATCH is a registered charity.

7. TANGIBLE FIXED ASSETS:

| | Plant and Machinery | Motor Vehicles | Computer Equipment | | Total |
|-----------------------|---------------------|----------------|--------------------|-----------|----------|
| COST | £ | £ | £ | | £ |
| At 1 April 2020 | 27,369 | 87,398 | 9,720 | | 124,487 |
| Purchases | | | 0 | Note [i] | 0 |
| Disposals | | (87,398) | 0 | Note [ii] | (87,398) |
| At 31 March 2021 | 27,369 | 0 | 9,720 | | 37,089 |
| DEPRECIATION | | | | | |
| At 1 April 2020 | 27,368 | 87,397 | 9,719 | | 124,484 |
| Charge for year | 0 | 0 | 0 | | 0 |
| At 31 March 2021 | 27,368 | 87,397 | 9,719 | | 124,484 |
| NET BOOK VALUE | | | | | |
| At 31 March 2021 | 1 | 0 | 1 | | 2 |
| At 31 March 2020 | <i>1</i> | <i>1</i> | <i>1</i> | | <i>3</i> |

Note [i] Following the theft of one of the vehicles, replacement vehicles have been purchased, with initial costs being met by sale proceeds (£2,800) and insurance payout (£6,700). Grants to cover future vehicle costs (£7,500) were received in 2020/21 and will be used in 2021/22 (see also note 11 below).

Note [ii] All other vehicles have been disposed of and replaced by vehicles subject to hire purchase agreements (see also note 15 below).

8. DEBTORS

| | 31 March 2021 | | 31 March 2020 |
|--|------------------|--|------------------|
| | £ | | £ |
| HMRC - gift aid | 1,400 | | 7,691 |
| Grants | | | 17,404 |
| Rent etc in Advance (office etc and shop) | 10,250 | | 18,863 |
| Income from Services | 33,048 | | 5,377 |
| | 44,698 | | 49,335 |

9. CASH AT BANK AND IN HAND

| | 31 March 2021 | | 31 March 2020 |
|--------------------|------------------|--|------------------|
| | £ | | £ |
| CAF Bank - Current | 51,459 | | 2,099 |
| Lloyds Bank | 118 | | 178 |
| Co-op Bank | 68,176 | | 27,767 |
| Cash in Hand etc | 607 | | 510 |
| | 120,360 | | 30,554 |

10. LOAN OUTSTANDING:

- [i] An individual made a loan of £50,000 for the general use of SCRATCH and the loan is being repaid on a monthly basis over 10 years and is interest free. The balance at 31 March 2021 is £13,600 (31 March 2020: £18,400).
- [ii] A loan of £50,000 was received in March 2021 under the Government's "Bounce Back" scheme to support businesses following the COVID lockdowns. Nothing was repaid in 2020/21 and the Directors are still considering what to use the loan for.

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31 March 2021 | | 31 March 2020 |
|------------------------------|------------------|--|------------------|
| | £ | | £ |
| HMRC - March PAYE etc | 4,162 | | 3,473 |
| Grants in advance (vehicles) | 7,500 | | |
| Trade Creditors | 5,398 | | 5,870 |
| | 17,060 | | 9,343 |

12. RESERVES

| | 31 March 2021 | | 31 March 2020 |
|--------------------------|------------------|--|------------------|
| | £ | | £ |
| Profit and Loss Account: | | | |
| Restricted Funds | 0 | | 0 |
| Unrestricted Funds | 84,400 | | 52,149 |
| | 84,400 | | 52,149 |

Reserves Policy:

The Directors/Trustees believe that the Charitable Company should hold sufficient balances on its general account to allow it to continue operating even if there was a significant reduction in the level of giving.

The Directors/Trustees believe that the minimum level of these balances should be the equivalent of three months' operating costs on general (not specifically grant-aided) activity calculated and reviewed annually – on the basis of the budget for 2021/22 this will be in the order of £80,000. It is the Board's intention to maintain an adequate level of reserves.

13. RESTRICTED FUNDS:

All projects for which restricted grants were received have now come to an end and there are no balances to carry forward into 2021/22.

Activities such as those relating to the Discretionary Fund and the Local Welfare Provision are now considered as "business as usual" and income for these services is based on actual expenditure according to an agreed tariff. Thus they are no longer considered as restricted funds.

14. UNRESTRICTED FUNDS:

Grants received from Government and local authorities to support the charity during the COVID lockdowns are to support (or expand where necessary) core activities and are not therefore considered to be "restricted" for the purposes of the accounts. £55,273 was received from the National Lottery and £40,000 from Southampton City Council.

SCRATCH received grants for use on the Dorcas Project (details of this project available from the registered office), other smaller projects and for general administration.

15. OTHER FINANCIAL COMMITMENTS

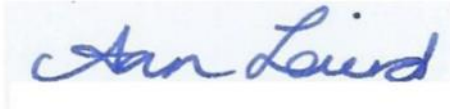
- [i] The company has an ongoing annual financial commitment of £41,000 as rental on its premises at Mount Pleasant Industrial Estate under the terms of a five year lease.
- [ii] At 31 March 2021 the Company had on annual commitment of £8,460 in respect of a four-year hire purchase agreement for one of its vehicles.

**STATEMENT BY THE DIRECTORS ON THE
UNAUDITED FINANCIAL STATEMENTS OF
SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

We confirm that as directors and trustees we have met our duty in accordance with the Companies Act 2006 to:

- ensure that the company has kept proper accounting records;
- prepare financial statements which give a true and fair view of the state of the company as at 31 March 2021 and of its profit for that period in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies; and
- follow the applicable accounting policies, subject to any material departures disclosed and explained in the notes to the financial statements.

ON BEHALF OF THE BOARD:

A handwritten signature in blue ink, appearing to read "Alan Lewis", is written over a light blue rectangular background.

Director

Date: 26 November 2021

**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

**Independent Examiner's Report to the trustees/directors of the charitable company
for the year ended 31 March 2021**

**Report of the Independent Examiner to the trustees/directors on the accounts of the
Charitable Company**

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts.

The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being qualified as a Fellow Member of the Association of Accounting Technicians.

It is my responsibility to:

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

Basis of independent examiner's statement

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

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

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

K. J. Stratton

Ken Stratton FMAAT, Independent Examiner
Brewery House, High Street, Twyford Winchester, Hampshire SO21 1RG
Date: 29 November 2021



**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

| | <u>Page</u> |
|-----------------------------------|-------------|
| Company Information | 2 |
| Report of Directors | 3 |
| Profit and Loss Account | 5 |
| Balance Sheet | 6 |
| Notes to the Financial Statements | 8 to 12 |

The following do not form part of the statutory financial statements:

| | |
|-------------------------------|----|
| Statement by Directors | 13 |
| Independent Examiner's Report | 14 |

**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

**COMPANY and CHARITY INFORMATION
FOR THE YEAR ENDED 31 March 2021**

DIRECTORS/TRUSTEES:

D Bartlett
S Mihelic (resigned April 2020)
N Warn
A Laird

REGISTERED OFFICE:

33 Mount Pleasant Industrial Estate
Southampton SO14 0SP

REGISTERED NUMBER 3830305

REGISTERED CHARITY 1078344

INDEPENDENT EXAMINER:

Ken Stratton FMAAT
Kimball Smith Limited
Brewery House
High Street, Twyford
Winchester, Hampshire SO21 1RG

**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 MARCH 2021**

The directors present their report with the financial statements of the company for the year ended 31 March 2021

PRINCIPAL ACTIVITY

The principal activity of the charitable company in the year under review was to relieve the effects of poverty. Full details of the company's various projects are available from the registered office.

COVID-19

The lockdown caused by the Covid-19 pandemic has had some effect on the Company's activities and full details can be found in the Annual Report (available from the registered office).

While SCRATCH's core business remained active during the lockdown, the two shops were closed for a total of ten months between them and this has had an effect on the income during 2020/21 - mitigated to some extent by grants from Government and local authorities. The East Street shop ceased trading at the end of August 2020.

DIRECTORS

The directors, who are also trustees, shown below have held office during the period 1 April 2020 to the date of this report.

D Bartlett
S Mihelic (resigned April 2020)
N Warn
A Laird

LIMITED BY GUARANTEE

The company is limited by guarantee and the members have a liability of a maximum of £10 per member to the charity's assets if it should be wound up whilst he or she is a member, for the payment of charity's debts and liabilities.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

PUBLIC BENEFIT STATEMENT:

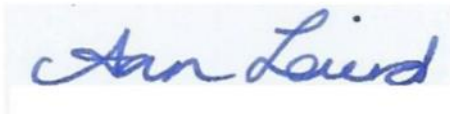
Unwanted household items will be collected from the public, cleaned and refurbished as necessary and distributed to those in need as assessed by the relevant agencies such as social workers, housing staff, school welfare staff and church leaders.

Public benefit can be shown by bringing relief to those in poverty, or at actual risk of being in poverty, thus preventing calls on the public purse for the provision of goods, services etc. in a time when funding is being severely constrained and local welfare provision is limited. Beneficiaries will also be given hope that they are not forgotten, giving rise to improved mental well-being. Relieving poverty promotes compassion and altruism and is generally regarded as 'a good thing'

The passing on of unwanted household items via the Dorcas Project lessens the impact on the environment of the use of landfill for waste.

Further details of our activities, which are all in accordance with the Charitable Company's Objects, are available from the registered office.

ON BEHALF OF THE BOARD:

A handwritten signature in blue ink, appearing to read "Alan Lewis", is written on a light blue rectangular background.

Director

Date: 26 November 2021

**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2021**

| | 2021 | | | Notes | 2020 | | |
|---|------------------|--------------------|---------------|-------|------------------|--------------------|---------------|
| | Restricted Funds | Unrestricted Funds | Total | | Restricted Funds | Unrestricted Funds | Total |
| | £ | £ | £ | | £ | £ | £ |
| TURNOVER | 0 | 852,530 | 852,530 | 2 | 557 | 644,250 | 644,807 |
| Cost of Sales and Purchases | 0 | 446,462 | 446,462 | 3 | 0 | 182,497 | 182,497 |
| GROSS PROFIT | 0 | 406,068 | 406,068 | | 557 | 461,753 | 462,310 |
| Operating and Administrative Expenses | 0 | 381,222 | 381,222 | 4 | 297 | 444,151 | 444,448 |
| Other Operating Income | 0 | 24,846 | 24,846 | | 260 | 17,602 | 17,862 |
| | | 7,405 | 7,405 | 5 | | 9,529 | 9,529 |
| OPERATING PROFIT / (LOSS) | 0 | 32,251 | 32,251 | | 260 | 27,131 | 27,391 |
| Interest Receivable | | 0 | 0 | | 0 | 0 | 0 |
| | 0 | 32,251 | 32,251 | | 260 | 27,131 | 27,391 |
| Taxation | 0 | 0 | 0 | 6 | 0 | 0 | 0 |
| PROFIT/(LOSS) FOR THE FINANCIAL YEAR | 0 | 32,251 | 32,251 | | 260 | 27,131 | 27,391 |

**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

BALANCE SHEET 31 MARCH 2021

| | Note | 2021 | | 2020 | |
|--|------|----------------|----------------------|---------------|----------------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible Assets | 7 | | 2 | | 3 |
| CURRENT ASSETS | | | | | |
| Debtors | 8 | 44,698 | | 49,335 | |
| Cash at bank and in Hand | 9 | 120,360 | | 30,554 | |
| | | <u>165,058</u> | | <u>79,889</u> | |
| LOANS OUTSTANDING | 10 | 63,600 | | 18,400 | |
| CREDITORS | | | | | |
| Amount falling due within one year | 11 | <u>17,060</u> | | <u>9,343</u> | |
| NET CURRENT LIABILITIES | | | 84,398 | | 52,146 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>84,400</u> | | <u>52,149</u> |
| RESERVES | 12 | | | | |
| Profit and Loss Account | | | | | |
| Restricted Funds | 13 | | 0 | | 0 |
| Unrestricted Funds | 14 | | 84,400 | | 52,149 |
| | | | <u>84,400</u> | | <u>52,149</u> |

The notes on pages 8 to 12 form part of these financial statements

**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The directors who are also trustees acknowledge their responsibilities for:

(a) ensuring the company keeps accounting records which comply with the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 26 November 2021 and were signed on its behalf by:

A handwritten signature in blue ink, appearing to read "Alan Lewis", is written on a light blue rectangular background.

Director

**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with Section 1A of Financial Reporting Standard 102 (effective January 2016).

Turnover

Turnover represents grants received, donations received and sales of goods and services. The Company is not registered for Value Added Tax (see also Note 2 below).

Tangible fixed assets

Depreciation is provided at appropriate annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. There was no stock of material value held at 31 March 2021 (nil also at 31 March 2020).

Pension costs and other post-retirement benefits

Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Going Concern

The accounts have been prepared on a going concern basis on the assumptions that the charity will continue to receive financial support from various sources as and when required. While there can be no guarantees of medium to long-term funding, the short-term position is satisfactory.

**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

2. **TURNOVER:**

This is made up as follows:

| | 2021 | | | | 2020 | | |
|----------------------|------------------|--------------------|----------------|------|------------------|--------------------|----------------|
| | Restricted Funds | Unrestricted Funds | Total | | Restricted Funds | Unrestricted Funds | Total |
| | £ | £ | £ | | £ | £ | £ |
| Donations received | | 82,311 | 82,311 | | | 64,555 | 64,555 |
| Grants received | | 477,012 | 477,012 | [i] | 557 | 277,620 | 278,177 |
| Charges for services | | 208,735 | 208,735 | | | 116,148 | 116,148 |
| Sales - Shop | | 39,159 | 39,159 | | | 155,656 | 155,656 |
| Other income | | 45,313 | 45,313 | [ii] | | 30,271 | 30,271 |
| | 0 | 852,530 | 852,530 | | 557 | 644,250 | 644,807 |

Notes: [i] Included in Grants received for 2021 is £83,906 grants received in respect of COVID support.

[ii] Mainly consists of income from fundraising events.

3. **COST OF SALES AND PURCHASES:**

This figure relates to purchases associated with the Welfare Scheme and Discretionary Fund (see also note 13 below).

4. **OPERATING AND ADMINISTRATIVE EXPENSES:**

This is made up as follows:

| | 2021 | | | | 2020 | | |
|---------------------------|------------------|--------------------|----------------|--|------------------|--------------------|----------------|
| | Restricted Funds | Unrestricted Funds | Total | | Restricted Funds | Unrestricted Funds | Total |
| | £ | £ | £ | | £ | £ | £ |
| Premises costs | 0 | 72,685 | 72,685 | | 0 | 92,580 | 92,580 |
| Employees (incl. oncosts) | 0 | 226,909 | 226,909 | | 0 | 217,301 | 217,301 |
| Volunteers' expenses | 0 | 4,020 | 4,020 | | 0 | 6,227 | 6,227 |
| Office costs | 0 | 16,099 | 16,099 | | 0 | 20,191 | 20,191 |
| Vehicles and travelling | 0 | 41,537 | 41,537 | | 0 | 40,071 | 40,071 |
| LWPS costs | 0 | 0 | 0 | | | 54,227 | 54,227 |
| Depreciation | | 1 | 1 | | | 0 | 0 |
| Other expenses | 0 | 19,971 | 19,971 | | 297 | 13,554 | 13,851 |
| | 0 | 381,222 | 381,222 | | 297 | 444,151 | 444,448 |

No directors received any emoluments or other benefits.

5. OTHER OPERATING INCOME:

This is made up of amounts recovered from HMRC under the Gift Aid scheme.

6. TAXATION:

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2021 as SCRATCH is a registered charity.

7. TANGIBLE FIXED ASSETS:

| | Plant and Machinery | Motor Vehicles | Computer Equipment | | Total |
|------------------|---------------------|----------------|--------------------|-----------|----------|
| COST | £ | £ | £ | | £ |
| At 1 April 2020 | 27,369 | 87,398 | 9,720 | | 124,487 |
| Purchases | | | 0 | Note [i] | 0 |
| Disposals | | (87,398) | 0 | Note [ii] | (87,398) |
| At 31 March 2021 | 27,369 | 0 | 9,720 | | 37,089 |
| DEPRECIATION | | | | | |
| At 1 April 2020 | 27,368 | 87,397 | 9,719 | | 124,484 |
| Charge for year | 0 | 0 | 0 | | 0 |
| At 31 March 2021 | 27,368 | 87,397 | 9,719 | | 124,484 |
| NET BOOK VALUE | | | | | |
| At 31 March 2021 | 1 | 0 | 1 | | 2 |
| At 31 March 2020 | 1 | 1 | 1 | | 3 |

Note [i] Following the theft of one of the vehicles, replacement vehicles have been purchased, with initial costs being met by sale proceeds (£2,800) and insurance payout (£6,700). Grants to cover future vehicle costs (£7,500) were received in 2020/21 and will be used in 2021/22 (see also note 11 below).

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| | 31 March 2021 | | 31 March 2020 |
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| | £ | | £ |
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| Grants | | | 17,404 |
| Rent etc in Advance (office etc and shop) | 10,250 | | 18,863 |
| Income from Services | 33,048 | | 5,377 |
| | 44,698 | | 49,335 |

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| | 31 March 2021 | | 31 March 2020 |
|--------------------|------------------|--|------------------|
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| Lloyds Bank | 118 | | 178 |
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| Cash in Hand etc | 607 | | 510 |
| | 120,360 | | 30,554 |

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| | 31 March 2021 | | 31 March 2020 |
|------------------------------|------------------|--|------------------|
| | £ | | £ |
| HMRC - March PAYE etc | 4,162 | | 3,473 |
| Grants in advance (vehicles) | 7,500 | | |
| Trade Creditors | 5,398 | | 5,870 |
| | 17,060 | | 9,343 |

12. RESERVES

| | 31 March 2021 | | 31 March 2020 |
|--------------------------|------------------|--|------------------|
| | £ | | £ |
| Profit and Loss Account: | | | |
| Restricted Funds | 0 | | 0 |
| Unrestricted Funds | 84,400 | | 52,149 |
| | 84,400 | | 52,149 |

Reserves Policy:

The Directors/Trustees believe that the Charitable Company should hold sufficient balances on its general account to allow it to continue operating even if there was a significant reduction in the level of giving.

The Directors/Trustees believe that the minimum level of these balances should be the equivalent of three months' operating costs on general (not specifically grant-aided) activity calculated and reviewed annually – on the basis of the budget for 2021/22 this will be in the order of £80,000. It is the Board's intention to maintain an adequate level of reserves.

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All projects for which restricted grants were received have now come to an end and there are no balances to carry forward into 2021/22.

Activities such as those relating to the Discretionary Fund and the Local Welfare Provision are now considered as "business as usual" and income for these services is based on actual expenditure according to an agreed tariff. Thus they are no longer considered as restricted funds.

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SCRATCH received grants for use on the Dorcas Project (details of this project available from the registered office), other smaller projects and for general administration.

15. OTHER FINANCIAL COMMITMENTS

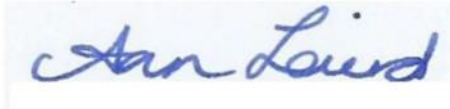
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**STATEMENT BY THE DIRECTORS ON THE
UNAUDITED FINANCIAL STATEMENTS OF
SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

We confirm that as directors and trustees we have met our duty in accordance with the Companies Act 2006 to:

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- prepare financial statements which give a true and fair view of the state of the company as at 31 March 2021 and of its profit for that period in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies; and
- follow the applicable accounting policies, subject to any material departures disclosed and explained in the notes to the financial statements.

ON BEHALF OF THE BOARD:

A handwritten signature in blue ink, appearing to read "Alan Lewis", is written over a light blue rectangular background.

Director

Date: 26 November 2021

**SOUTHAMPTON CITY AND REGION
ACTION TO COMBAT HARDSHIP
(LIMITED BY GUARANTEE)**

**Independent Examiner's Report to the trustees/directors of the charitable company
for the year ended 31 March 2021**

**Report of the Independent Examiner to the trustees/directors on the accounts of the
Charitable Company**

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts.

The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being qualified as a Fellow Member of the Association of Accounting Technicians.

It is my responsibility to:

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

Basis of independent examiner's statement

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

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

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

K. J. Stratton

Ken Stratton FMAAT, Independent Examiner
Brewery House, High Street, Twyford Winchester, Hampshire SO21 1RG
Date: 29 November 2021