



Annual Report

April 2021 to March 22



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 2021 to 2022

It may seem odd for a charity chair to start their report with, "I wish SCRATCH didn't have to exist," but that's an honest reflection of how we feel. If there were no local families suffering hardship, then there would be no need for SCRATCH. But while there are folk in difficulties, often through no fault of their own – such as mothers and children who've been victims of domestic abuse – then we'll be here, ready and able to help. We've proved our commitment by keeping going, despite the unexpected challenges presented by the pandemic and uncertainties with the economy, both global and local.

What was new for us in the past year? We've taken on the services of CSL, a professional bid writing company, to help us try to secure our long-term financial stability – especially important given the difficulties we've encountered in finding profitable retail premises to replace our New Milton shop. We've also found valuable new supporters such as Capello, who will be organising our golf day in June and who have held sponsored events on our behalf. We truly value everyone – whether new supporter or longstanding – for their contribution and going the extra mile for us, whether that's in terms of contracted services, monetary donations (however big or small), provision of goods or volunteering time.

Ultimately it isn't us you're helping. It's the child who has to sleep on a mattress on the floor because they have no bed or the pensioner who can't clean their clothes because the washing machine has packed up or the many others in need. In the year 2021/22, that represented more than 26,000 people helped. On behalf of *them*, we thank you.

Ann Laird, Chair



SENIOR MANAGEMENT TEAM REPORT

This has been another interesting year for SCRATCH, which has seen us respond to the aftermath of the pandemic closures and slowly return to business as usual, albeit with some significant changes.

Dorcas Project continues to deliver good quality used furniture to families and individuals in need throughout Hampshire. We supply most local authorities throughout the county and an increasing number of housing associations who value the quality and quantity of furniture

provided along with the speedy response time from referral to delivery. We are, as always, grateful to the many donations, of both finance and furniture, which ensure this project can continue delivering to those most in need in our communities.

We have had changes to personnel in the administrative team, with Natasha joining us in September to assist with Southampton City Council's Covid Local Support Grant. Emma then left us for pastures new in November. We rehired

Kelly, who was previously our shop manager in New Milton, to replace Emma on the Welfare team. The most significant change to activities this year has seen us manage the Household Support Fund for Southampton City Council (SCC). Starting just before Christmas, it was a huge shock to the system but the whole team performed admirably ensuring those hardest hit by the cost-of-living crisis were supported through the provision of electric top up, domestic appliances and furniture. Much of the expenditure this year was on meeting this provision and it will continue into and throughout 2022/23.

Christmas Complete was, once again, a great success and an incredible project to deliver. More of this later in the report.

Our peripheral projects such as repaint and furniture repair continue to function and although secondary to our main projects they nevertheless contribute to the overall SCRATCH experience.

Our team of furniture repairers ensure all items are sent from the warehouse in good condition - it's amazing the difference a sand down and polish can make to used items and this helps to reduce waste.

Repaint continues to receive end of line paint from retailers and manufacturers and redistributes to clients who would otherwise find it difficult to fund decorating their homes. Last year we distributed c.3000 litres of paint helping to brighten up homes and community spaces around the city.

Our thanks as always to our volunteers without whom we would not be able to function and to the staff whose commitment to helping others, sometimes under very difficult circumstances, shines through as a sign of hope to those we seek to serve.

And finally, a word of thanks to our supporters, individuals, companies and churches, whose financial donations make it possible for us to continue our mission. Special thanks to Copello who have adopted us as their charity and are assisting with social media and fundraising as well as providing direct financing and staff support on our Dorcas and Christmas Complete projects.

Mike Smith – Senior Manager
(Operations)
Annette Davis – Senior Manager
(Resources)

DORCAS PROJECT

The Dorcas project supplies packages of furniture, as well as single items, to referred clients primarily in the Southampton area and further afield in the county of Hampshire and occasionally into Dorset.

Not only do we supply furniture such as beds, sofas and armchairs, wardrobes, chests of drawers, tables and chairs, we also provide items such as kettles, toasters, microwaves, lamps, irons, towels, packs of kitchen items, curtains and bedding.

With separate funding from the Southampton City Council Discretionary Fund, we can also supply brand new fridges and supply and fit brand new washing machines and electric cookers. This makes an understandably huge impact to those we deliver to and on occasion we witness tears of joy and thanks.



We believe that each person referred to us deserves the very best that we can offer. That not only provides for their immediate physical needs, but hopefully will restore some pride and dignity to individuals and families who have often been through a traumatic period in their lives.



Blessing – a recent recruit to the team

So that we can effectively deliver the project at a reasonable cost we rely on volunteers. In the aftermath of the pandemic, we were struggling to recruit enough volunteers to do this, but I am pleased to report that now we have almost a full team that includes asylum seekers from Eritrea, Kuwait and Brazil. It has been humbling working with these young men who have been forced to leave everything and everyone they know and to witness their willingness to help.

With the deepening cost of living crisis, we anticipate a possible decrease in the number of donations as people potentially

decide to keep what they have rather than upgrading furniture and other items that we normally use for the project. It is a fact that within the last year we have had periods of time where our seating and double bed stock have been down to zero! This was obviously concerning for us and meant delays for deliveries and further hardship for referred clients. We will be monitoring the situation over the coming months and if necessary, we'll look at further opportunities to foster working relationships between us and organisations such as house clearance specialists and furniture retailers as well as further information to the general public through radio/tv and social media.

During the year we delivered to 1837 households (an increase of 13% on the previous year), with 71% of these being to Southampton residents. These deliveries helped 2260 adults and 1732 children.

Below are a few of the comments we have received about this project: -

- ◆ “I am clearing out my late Nan's house and may have some items for you to be able to help other people in any situation. I benefitted from your services back in 2012, when my ex-partner became violent and Southampton City Council put me on the emergency housing list. With nothing but a bed frame and mattress, a chest of drawers and a cot for my daughter, your team provided me with everything I needed at that crucial time and I will always be grateful.”
- ◆ “I just wanted you guys to know that I am so blessed with all your help! I wouldn't be able to put into words how thankful I truly am, what you guys are doing is just absolutely beautiful! All the gentlemen that brought in the delivery were so nice and very helpful, this charity is the definition of angels on earth! Thank you once again for everything, forever grateful!”
- ◆ “You came and cleared a lot of surplus furniture from a house we are selling and we are delighted that so much can be passed on to benefit someone who needs it. Great service and great cause - keep doing what you are doing!”

Ian Dowdell - Furniture Manager

Whilst the Dorcas Project staff, volunteers and two vans are mostly engaged in the collection and delivery of furniture, we are pleased to offer a removals service for people needing to move house in an emergency situations. During the year we helped 28 households for Winchester City Council, 15 for VIVID Housing, 8 for Southampton City Council and 4 for other organisations.

DISCRETIONARY FUND AND WELFARE LINE

In the year ending March 2022, we have: -

- ◆ Issued 8261 (1081) utility vouchers to 7124 households (866)
- ◆ Provided 539 (440) households with white goods
- ◆ Answered 1871 calls to the Welfare Line (2683)
- ◆ Made over 400 referrals to Basics Bank (previous year figure not available)

Figures include SCC Household Support Fund.

Previous years figures shown in brackets

For several years, SCRATCH has been operating the Welfare Line (a direct assess and advice and signposting service – with many people needing referrals through to the local food banks) and the Discretionary Fund (providing utility top-up vouchers and / or White Goods to residents who meet strict criteria). These are both on behalf of Southampton City Council. We are grateful for their trust in us and for the privilege of being able to serve some of the most disadvantaged people in the city in this very practical way.

Since January 2021, we have also been running various government funded additional schemes. Firstly, the Winter Fund, then the COVID Local Support Grant and more recently the Household Support Fund. These funds have been able to help Southampton residents with Utility Top-up vouchers, Supermarket vouchers and some White Goods. All of this has placed extra pressure on the staff team and we are so thankful for their hard work and dedication. As the 2021 / 22 year ends we have been informed that the Household Support Fund has been given another round of funding, so we will continue to support local people in the months to come.



Supplies of Cookers, Fridges and Washing Machines ready for delivery

- ◆ “I just wanted to email and say thank you for you and the team for all the amazing work that you do! I am honestly blown away that you have given my client such a kind gesture and I know he will be so, so happy when I tell him this on Monday. I am lost for words myself and although I can't think of someone who would deserve this more than him, I am just eternally grateful to you guys that you have done this. So, thank you so much. Keep being amazing.”
- ◆ “I just wanted to thank you for the vouchers I received today - they mean the world to me I've had no heating or hot water for nearly 6 weeks and wanted to let you know how much I appreciate them. Thanks again for such a wonderful lifeline.”

We have also continued to provide utility vouchers for Portsmouth City Council, Hampshire County Council and Footprint Trust.

The Welfare Team – Lucy, Kelly, Natasha and Annette

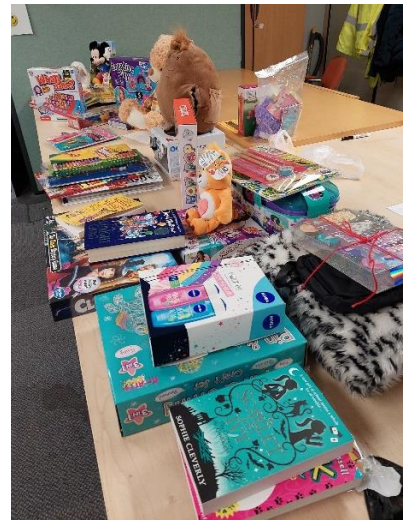
CHRISTMAS COMPLETE

With all the restrictions and challenges that we faced the previous year, we went into the 2021 project with a better understanding of how to deal with the limitations that COVID 19 still placed on us and the resulting issues of working with smaller volunteer groups. Many of the requirements we had placed on staff and volunteers were continued and this resulted in another successful project with no one experiencing any illness.

In December 2021, we provided a parcel of 7 or 8 toys and gifts to 2282 children and young people.

We are so grateful to the faithful volunteers who give their time so tirelessly year after year as well as people who joined us for the first time,

many coming with colleagues from local businesses and organisations. There are far too many of you to mention individually.



In order to provide a parcel of 7 or 8 toys and gifts to each child / young person referred we need to receive thousands of donations. There were periods throughout the project when we almost ran out of donations, but thankfully new items were received along with financial donations so that we could shop for what was needed. The Amazon wish list worked well again and so we will be continuing with that option in the future. It is a great way of getting what we actually need.

Deliveries took place across Hampshire, with 64% within the city of Southampton.

Here are a few of the lovely comments we received from various agencies and clients: -



“On behalf of Stop Domestic Abuse I would like to thank you for the amazing donation of Christmas gifts for the children in refuge that you have given to us. We appreciate your donation greatly and the gifts have been given to the children’s parent ready for Christmas. We are extremely busy in the house and in the wider community and are so appreciative of the support we get from organisations such as yourselves.”

“I spoke to one of my parents yesterday who has already received her parcel and she was so grateful, especially as she has just had the expense of her son's birthday. You have really taken some financial pressure off her.”

“Just wanted to say a huge Thankyou as I was referred to you from my daughter’s school. We received the Christmas Complete boxes & attended a food & clothing bank. It absolutely helped so much & we are so grateful.”

“The look on Daniel’s face when he saw the bike was priceless, because he has been playing with his chair and pretending as if it were a bike before he got the gift.”

Annette Davis – Project Co-Ordinator

CHARITY SHOPS

Having lost much of the previous year's trading due to the covid pandemic, we finally re-opened our doors at New Milton on 12 April for the first time in 2021. However, this was a short-lived experience as we immediately learned the landlords had found a new tenant and we were given 6 weeks' notice to leave the premises. We always knew this would happen at some time, but it was a disappointment after waiting so long to

reopen. The premises is now an M&S Foodhall! Thanks are due to Bradbeers for allowing us to stay rent free for the better part of 3 years and to the staff and volunteers who contributed to making it such a successful shop, much loved by the local community. Despite only opening for 6 weeks the shop sales totalled £16,035 - an average of £2,672.50 per week - with an additional £4,819 coming from online sales.

VOLUNTEERING

After a slow start following the easing of Covid restrictions, the SCRATCH Volunteer Community is beginning to thrive once again., We currently have 27 active volunteers, 12 of whom remained throughout and 2 returning volunteers. There are 13 new recruits, 7 of whom have been recruited from the Refugee drop-in Centre at SWVG St. Andrews Church. Here's what two of them have fed back:

- It's good! Because I have contact with other people and it makes me happy to help people. The people here are very friendly and kind. We get to speak English because we are not on the same van and my English is getting better now.
- Every Wednesday when I wake up, I am happy when I think I am coming to SCRATCH.

Although several of SCRATCH's previous projects have remained closed, there is a demand for additional volunteers on the DORCAS project due to the second van now being in operation. Also, in an endeavour to enhance the service, new roles and practices have been developed. For example, the Inclusion Mentor programme has been piloted and our first recruit has completed the programme. Here are his thoughts: -

- From day one all the staff were very helpful and made me feel welcome, which made me feel good and part of the team. I have gained a lot of confidence in myself and will now be able to take this with me wherever I go. I would like to say a big thank you to (name of mentor), which was very supportive to me....I would recommend others to do voluntary at SCRATCH and tell others what a great service it offers to others.

In addition to increasing the number of volunteers with minority ethnic heritage, we have also increased the number of rehabilitating offenders, people with a neurodiversity and mental illness.

In the year ending March 2022, 3 volunteers were successfully assisted into employment. A further 5 were supported into external training courses and 7 have undertaken in-house accredited training, 4 of whom received training on employability skills. A volunteer Support Assistant has been recruited to enhance inclusion into the SCRATCH volunteer Community, which includes ensuring volunteers have a voice. e.g., the bi-monthly Volunteer Newsletter written, and designed by volunteers. Also, to further enhance the wellbeing of our volunteers, a garden is being created. Work has begun with the help of Saints in the City

and HSBC, but volunteers will be encouraged to take a more active role in the creation and maintenance of the garden and use the space to relax and socialize during their breaks.

In November 2021, SCRATCH received the Investing in Volunteers award following the renewal process. Having time to revisit our volunteer policies and practices during the pandemic allowed for positive improvements. Furthermore, the assessor praised the high standards of our volunteer policies and procedures.



I was proud to have successfully nominated our volunteers to receive a SVS team award for their commitment and dedication during the pandemic. There were also 3 Outstanding Volunteer awards for volunteers who went above and beyond expectations, to help SCRATCH to continue to serve those most in need in such challenging times.

When I first volunteered, I'd been out of work a long time and needed something to do. At first, I say it as a way of getting back into work. I wanted a fresh challenge; it was something different. I enjoy it because I know that everything I do here is benefitting other people. I'm making a difference to someone's life and at the end of the day, it makes me feel good. I'm contributing to the community – doing something good. And it's helping me socially as well as physically. I live on my own, so I get company coming in to volunteer. The charity paid for me to get the Portable Appliance Programme, so I am now qualified to do PAT testing. I'm learning new skills. My role is to sort out the donations and then pack items ready for delivery. I've been here for 3 years and come in 3 days a week. If I didn't have my allotment and family members, I'd be here every day – I enjoy it so much! It's a great place to come and try volunteering for the first time – everyone is very helpful.

Two social events were held last year to say thank you to our volunteers. The summer BBQ and a Christmas gathering in a nearby pub, where volunteers enjoyed a game of darts.

All volunteers reviewed report high levels of satisfaction. The biggest improvement is in confidence levels, and they feel well supported by staff. A strong sense of team spirit, having a laugh, building strength, learning new skills, and gaining experience have all contributed to a positive experience. Doing something meaningful to help the community whilst helping to find a sense of purpose is also a common thread.

Looking forward to the year ahead our plans are:

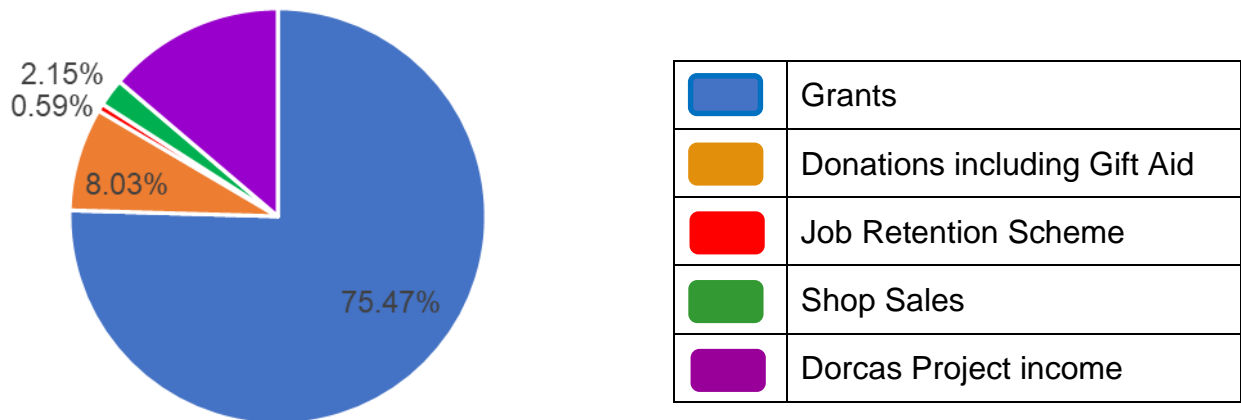
- Secure funding and roll out Inclusion Mentor Programme. Once the pilot has been evaluated, it is hoped that the project will be rolled out in September 2022.
- Increase training options.
- Endeavour to increase the capacity for volunteer social integration.
- Build or strengthen links with charities and organisations working with minority and disadvantaged groups.
- Form partnerships with colleges to access volunteers for the 6-month work experience programme.

Polly Burton – Volunteer Manager



FINANCE

The total income for the year was £977,879 and the chart below shows where this was received from.



The table below shows non statutory income amounts of above £1,000. We also received £5,588 from the Job Retention Scheme.

GRANTS OF £1,000 AND ABOVE			
Garfield Weston	£20,000	HIWCF	£5,000
LCP Foundation	£9,420	Jerusalem Trust	£2,500
Southern Water	£2,815	Arnold Clarke Foundation	£2,000

We are also thankful to the many people who faithfully donate on a monthly basis and those who give small one-off donations to support our ongoing work.

Our total costs for the year amounted to £880,628 which left us with a surplus for year of £117,251.

The reserves at the end of the year amount to £201,651 which gives a solid basis from which to provide support for all of the SCRATCH projects.

It was a privilege to be chosen by Cllr Alex Houghton to be one of his two charities during his Mayoral year which ends in May 2022. He attended our volunteer's BBQ in the summer of 2021 and handed out certificates to volunteers and spent a morning on one of our vans assisting the Dorcas Project with the delivery and collection of furniture.



Board of Directors

Ann Laird (Chair)

Nicholas Warn

David Bartlett

Robert Davis

Staff team as at 31 March 2022

Mike Smith – Senior Manager (Operations)

Annette Davis – Senior Manager
(Resources)

Ian Dowdell – Furniture Manager

Paul Williams – Driver

Ian Arnold – Driver

* denotes job share

Polly Burton – Volunteer Manager

Lucy Taylor – Welfare Information Officer *

Kelly Beck – Welfare Information Officer *

Natasha Davis – Welfare Information
Officer *

Kathryn Baker – Receptionist (part time)



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 107834

Registered number
3830305

Southampton City and Region Action To Combat Hardship

Report and Accounts

31 March 2022

Registered at the Charity Commission
under number 1078344

Southampton City and Region Action To Combat Hardship

Registered number: 3830305

Directors' Report

The directors, who are also the Trustees, present their report and accounts for the year ended 31 March 2022.

Principal activities

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

Directors

The following persons served as directors during the year:

Ann Laird
David Bartlett
Nicholas Warn
Robert Davis (Appointed on 22nd March 2022)

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 assets if it should be wound up whilst he or she is member, for the payment of charity's debt and liabilities.

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 is 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.

Southampton City and Region Action To Combat Hardship

Registered number: 3830305

Directors' Report

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. It is the Board's intention to maintain an adequate level of reserves.

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

This report was approved by the board on 13 February 2023 and signed on its behalf.

A Laird
Director

**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 2022.

Respective responsibilities of the 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.

Ken Stratton FMAAT
Accountant

Brewery House, High Street
Twyford
Winchester
Hampshire
SO21 1RG

13 February 2023

**Southampton City and Region Action To Combat Hardship
Profit and Loss Account
for the year ended 31 March 2022**

	2022	2021
	£	£
Turnover	997,879	859,934
Cost of sales	(495,991)	(446,462)
Gross profit	<u>501,888</u>	<u>413,472</u>
Administrative expenses	(383,292)	(381,221)
Operating profit	<u>118,596</u>	<u>32,251</u>
Interest payable	(1,345)	-
Profit before taxation	<u>117,251</u>	<u>32,251</u>
Tax on profit	-	-
Profit for the financial year	<u>117,251</u>	<u>32,251</u>

Southampton City and Region Action To Combat Hardship
Registered number: 3830305
Balance Sheet
as at 31 March 2022

	Notes	2022 £	2021 £
Fixed assets			
Tangible assets	3	55,217	2
Current assets			
Stocks		17,400	-
Debtors	4	296,910	44,698
Cash at bank and in hand		23,469	120,360
		<u>337,779</u>	<u>165,058</u>
Creditors: amounts falling due within one year	5	(127,563)	(21,861)
Net current assets		<u>210,216</u>	<u>143,197</u>
Total assets less current liabilities		<u>265,433</u>	<u>143,199</u>
Creditors: amounts falling due after more than one year	6	(63,782)	(58,800)
Net assets		<u>201,651</u>	<u>84,399</u>
Capital and reserves			
Unrestricted reserves		201,651	84,400
Reserves		<u>201,651</u>	<u>84,400</u>

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The accounts have been prepared and delivered in accordance with the special provisions applicable to companies subject to the small companies regime. The profit and loss account has not been delivered to the Registrar of Companies.

A Laird
 Director
 Approved by the board on 13 February 2023

**Southampton City and Region Action To Combat Hardship
Statement of Changes in Unrestricted Reserves
for the year ended 31 March 2022**

	Unrestricted Reserves	Total
	£	£
At 1 April 2020	52,149	52,149
Profit for the financial year	32,251	32,251
At 31 March 2021	<u>84,400</u>	<u>84,400</u>
At 1 April 2021	84,400	84,400
Profit for the financial year	117,251	117,251
At 31 March 2022	<u>201,651</u>	<u>201,651</u>

**Southampton City and Region Action To Combat Hardship
Notes to the Accounts
for the year ended 31 March 2022**

1 Accounting policies

Basis of preparation

The accounts have been prepared under the historical cost convention and in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of the standard).

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery	25% reducing balance
Motor vehicles	25% reducing balance

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

**Southampton City and Region Action To Combat Hardship
Notes to the Accounts
for the year ended 31 March 2022**

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

Deferred income

This reflects a proportion of the income generated from the Southampton City Council Home Support Fund that will be recorded as income in the following year.

2 Employees		2022 Number	2021 Number
Average number of persons employed by the company		10	10
3 Tangible fixed assets			
	Plant and equipment £	Motor vehicles £	Total £
Cost			
At 1 April 2021	37,089	-	37,089
Additions	1,352	72,268	73,620
At 31 March 2022	<u>38,441</u>	<u>72,268</u>	<u>110,709</u>
Depreciation			
At 1 April 2021	37,087	-	37,087
Charge for the year	338	18,067	18,405
At 31 March 2022	<u>37,425</u>	<u>18,067</u>	<u>55,492</u>
Net book value			
At 31 March 2022	<u>1,016</u>	<u>54,201</u>	<u>55,217</u>
At 31 March 2021	<u>2</u>	<u>-</u>	<u>2</u>

**Southampton City and Region Action To Combat Hardship
Notes to the Accounts
for the year ended 31 March 2022**

4 Debtors	2022	2021
	£	£
Trade debtors	276,228	33,048
Other debtors	20,682	11,650
	<u>296,910</u>	<u>44,698</u>

5 Creditors: amounts falling due within one year	2022	2021
	£	£
Bank and other loans	19,899	4,800
Trade creditors	4,440	5,398
Taxation and social security costs	4,262	4,162
Deferred income	98,962	7,501
	<u>127,563</u>	<u>21,861</u>

6 Creditors: amounts falling due after one year	2022	2021
	£	£
Loans	<u>63,782</u>	<u>58,800</u>

7 Other information

Southampton City and Region Action To Combat Hardship is a charitable company limited by guarantee and incorporated in England. Its registered office is:
33 Mount Pleasant Industrial Estate
Southampton
Hampshire
SO14 0SP

**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 2022.**

Respective responsibilities of the 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.

Ken Stratton FMAAT
Accountant

Brewery House, High Street
Twyford
Winchester
Hampshire
SO21 1RG

13 February 2023