

Company Registration No. 3320011 (England and Wales)
Charity No. 1060910



**Dorset
Community
Action**

(COMPANY LIMITED BY GUARANTEE)

Annual Report and Accounts

for the year ended
31st MARCH 2017

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CHARITY ADMINISTRATIVE INFORMATION

Directors and Trustees

The directors of the charitable company ("the charity") are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

Alan Clevett	Chair	
Nick Warren	Vice Chair	
Philip Burton	Treasurer	
Pauline Batstone		
Ronald Coatsworth	(retired 4 th May 2017)	
Derek Howshall		
John Nash		
Peter Shorland	(retired 9 th December 2016)	
Gerry Stoker		

Chief Executive

Alex Picot

Senior Managers

Linda Riggs	Finance and Office Manager	
Simon Thompson	Community Action Manager	(left 31 st July 2017)
Paula Bennetts	Community Action Manager	

Patron

Angus Campbell	Lord-Lieutenant of Dorset
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CHARITY ADMINISTRATIVE INFORMATION (CONTINUED)

Charity Registration Number: 1060910

Company Registration Number: 3320011

VAT Registration Number: 936 6666 78

Company Secretary: Alex Picot

Principal Address and Registered Office: The Coach House
Acland Road
Dorchester
Dorset, DT1 1EF

From 11th October 2017 The Little Keep
Barrack Road
Dorchester
Dorset DT1 1SQ

Telephone Number: 01305 250921

Website: www.dorsetcommunityaction.org.uk

Professional Advisors

Accountants/Registered Auditors Saffery Champness LLP
Midland House
2 Poole Road
Bournemouth
Dorset BH2 5QY

Bankers: National Westminster Bank plc
49 South Street
Dorchester
Dorset DT1 1DW

CCLA Investment Management Ltd
COIF Charities Funds
Senator House
85 Queen Victoria Street
London EC4V 4ET

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2017

The Trustees are pleased to present their report and audited financial statements for the year ended 31st March 2017. This report is also the Directors' Report, required by Section 415 of the Companies Act 2006. The legal and administrative information set out on pages 1 and 2 forms part of this report.

Trustees acknowledge the considerable endeavours of the senior management team and all members of staff in achieving the good progress reflected in this report, in the face of a particularly challenging environment for the sector. The Board feels that the organisation has a sound base and skills to continue its progress.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), effective 1st January 2015.

In considering its future strategy, aims and objectives the Trustees have given due regard to the Charity Commission's guidance on Public Benefit.

Our purposes and activities

It is the mission of Dorset Community Action to encourage and support communities in Dorset into action that improves people's lives, particularly of those most disadvantaged. Our organisation is independent and committed to providing high quality information, advice, networking and support services to community and voluntary organisations of all shapes and sizes. It is our long term goal to play a significant part in creating strong and sustainable communities across Dorset.

Charitable Objects

The objects of Dorset Community Action, as stated in its Memorandum and Articles of Association, are as follows:

1. To promote any charitable purposes for the benefit of the public, principally but not exclusively in the local government area of Dorset and its environs (hereinafter called the "area of benefit") and, in particular, build the capacity of third sector organisations and communities and provide them with the necessary support, information and services to enable them to pursue or contribute to any charitable purpose.
2. To promote, organise and facilitate co-operation and partnership working between third sector, statutory and other relevant bodies in the achievement of the above purposes within the area of benefit.

Principles

Work delivered by Dorset Community Action is based on these fundamental principles that are at the heart of the organisation's ethos:

Local need at the heart of Community Action – services are provided where a local need is clearly identified.

Inclusion of those most disadvantaged – services will always be delivered in a way that actively involves those people and groups who are most often excluded.

Empowerment of local people and groups – services will always be delivered in a way that empowers local people and groups to develop their own solutions.

Independence to challenge for good – services will always be independent of the public sector enabling advocacy on behalf of local people and groups.

Partnership as a positive way forward – services will always be developed in partnership with local people and groups, and alongside other providers where this best meets the needs identified.

Activities

- **Community and Voluntary Action** – supporting communities and voluntary organisations to deliver better projects and services through advice, training and development work.
- **Strategic Action** – working with partners and front line organisations to ensure people and communities in Dorset have access to the services they need by supporting whole system change.
- **Sustainable Communities** – supporting our communities to live more sustainably and be more able to cope with environmental and economic challenges together with change.

What we achieved in 2016/17

During the year, Dorset Community Action continued to deliver a full range of services despite the ongoing uncertainties in our operating environment and changes with our statutory sector partners. Despite this, we continued to provide a free of charge service for all customers, and a range of great value training and consultancy services, supporting 314 groups during the year, with 694 groups benefitting from our training.

At a time of ongoing challenges, including the ending of our LiveWell Dorset and VCSE Navigator contracts, nationally, umbrella organisation ACRE secured a new three year funding agreement for the Network, albeit on a year on year sliding scale reduction. Whilst ensuring we can still provide some level of service to our rural communities, the DEFRA funding is also intended to effect 'transformational change' in the network, to achieve a self-sustaining service.

The year also saw Dorset County Council approve two years funding for VCSE infrastructure organisations from 2017/18 and while funding is reduced, considering the serious financial challenges local authorities are facing we must view this as a considerable vote of support for the sector. We also secured our Stage 2 Building Better Opportunities bid, to deliver a programme of support for unemployed people through community enterprise.

Finally, at a time of much change in the public sector we would like to thank our funding partners for their ongoing support, without which we could not support Dorset's communities as effectively as we do. Further details of activity in each of these areas is provided in this report.

1. Community and Voluntary Action – supporting communities and voluntary organisations through advice, training and development work

DCA: Supporting frontline organisations to deliver better services

Core Services – Dorset Community Action actively supported 314 voluntary and community organisations during the year, through the VCSE support services contract commissioned by Dorset County Council and NHS Dorset, complemented by service level agreements with most of Dorset's district councils. Our achievements include:

- 15 community networking events run;
- 694 groups attending training;
- 1082 groups receiving e bulletins;
- 30 consultations facilitated;
- **£1,258,674** raised by groups as a result of DCA support. Figures were attained by cross-referencing DCA's database, against funding data reported by the groups and funders e.g. Big Lottery.

Geographical spread of support by district (Note: Some groups work in more than one district)

District	No. of groups	% out of total no. of groups (314)
West Dorset	63	20
North Dorset	131	42
East Dorset	101	32
Christchurch	63	20
Purbeck	100	32
Weymouth & Portland	44	14
Multi-area	44	14
Total	314	

Sectors supported (Note: Some groups work in more than one sector)

Sector	Organisations	% out of total no. of groups (284)
Everyone from a particular area	149	47
Children and Young People	141	45
Families & Relationship Issues	107	34
Older People	112	36
People with physical disabilities	91	29
People with mental health issues	68	22
Disadvantaged people including people in poverty	78	25
Rural isolated communities	73	23
People from Black, Minority or Ethnic communities	40	13

Offenders / Ex-Offenders	9	3
People with Specific Health conditions & needs	16	5
People with Sensory difficulties	13	4
People with Learning Difficulties / Disabilities	28	9
Other	45	14
No data	6	2
Total	314	

Digital communication

At the end of year, the number of contacts receiving e-alerts was 1082, and 3178 organisations registered on our database with email addresses.

Our Training Service

We developed our training offer this year in response to feedback from local groups and to be more responsive to local needs, to now offer training in “bite-sized” two hour chunks, allowing groups to allocate staff/volunteers to attend training with less disruption to the working day. As we are able to take these sessions out and about around the County it has allowed us to offer more training than our previous all day sessions. This year we delivered 19 training courses around the County.

We have also worked closer with District Councils so that we are able to offer a needs led delivery approach. One example of this was training carried out on behalf of East Dorset District Council, who purchased bespoke training from us to deliver Safeguarding Policy and Procedure support to local community based services that the District Council support.



Training was attended by 11 East Dorset organisations with District Council SLA's, with 100% positive feedback. By the end of the session all of the attendees had model Policy & Procedure documents that they could adapt to their own requirements. Delivering this training as a group saved the District Council money and time in supporting each of the groups individually to write their Policies. The end result from this training was that all of the groups were compliant with the requirements of their SLA with the District Council and East Dorset DC were more secure in the knowledge groups had about how to keep their service users safe.

Our Consultancy Service

This year has seen an increase in consultancy work, mainly through additional funding from the Village SOS programme, and we have continued to offer tailored support around the needs of groups, from business planning through to funding support. All consultancy support starts with a free action planning meeting to agree exactly what support is needed and the advice, guidance and support DCA can offer. Groups can then purchase the support they need either as a package or in small chunks. This flexible approach allows groups to access support in a cost effective and manageable way to meet their needs.

Case Study – Harlequin Care

Harlequin Care's vision is to preserve and protect the health of Dorset's forgotten unpaid carers. Through offering complementary therapy days to Dorset's unpaid carers Harlequin Care aims to:

- improve the physical health and mental well-being of unpaid carers.
- reduce the social isolation of unpaid carers.
- alleviate strains on Dorset's over-stretched health services.
- raise awareness of other available services to support unpaid carers.

The group had funding to run two more clinics before they ran out of funding, and required support on legal structures, evidencing service need, business planning, and service promotion.



Harlequin Care
A CHARITY FOR DORSET

Consultancy support DCA provided to Harlequin Care included:

- Business Planning support.
- Collating Evidence of Need.
- Preparing a Letter of Application for Funders / Case for Support.
- Signposting and developing policies & procedures.
- Reviewing marketing materials and support with new promotional leaflets.
- Developing a fundraising strategy.
- Development of documents to support the induction of new volunteers, so that they could share key information on what they are trying to achieve and why.
- Support to prioritise planning to improve delivery.
- Brokering a meeting to access mentoring support (with Swanage & Purbeck Development Trust).

Without this support Harlequin Care would have potentially closed, leaving over 40 carers without the support or services they needed to meet their own health & wellbeing needs.

Funding Events - Dragon's Den comes to East Dorset



East Dorset Communities Building Event – for Village Halls, Youth and Community Centres – 21st March 2017.

This event provided volunteers managing community buildings with information, tools and resources to support their sustainability. They heard from an ACRE Village Halls Advisor, the DCC Living and Learning Centres team on opportunities to become hubs for local services, and Volunteer Centre Dorset on recruiting trustees.

The Big Lottery, Dorset Leader and Talbot Village Trust advised on funding opportunities, DCA on the support available to village halls and community buildings, with a further 5 organisations providing information on draught proofing, insurance, legal support, online booking systems.



Dorset Funding Fair – 17th November 2016.

This year's Funding Fair was held in Wimborne at the Community Learning & Resource Centre. 20 funders and support organisations attended with presentations on making funding applications & setting up crowdfunding campaigns. 74 people attended representing 54 community organisations. Outcomes included Christchurch Mens shed being awarded £9,000 as a result of meeting and talking with Bournemouth Airport Community Fund at the funding fair.



Children In Need Information Events (Dorchester & Wareham) – October 2016.

DCA hosted two events in October 2016 for Children in Need. The aim of the events was to increase applications from Dorset groups for this funding.

The session was a focused workshop to support writing Children in Need applications. The feedback from the sessions was very positive, and as a result of attending the event, Relate (Purbeck) secured £10,000 from Children in Need.

2. Strategic Action – DCA working with partners to ensure people and communities in Dorset have access to the services they need.

With fundamental changes in the public sector, it is more important than ever that Dorset Community Action uses its unique position as a county wide organisation with local reach, to act as a bridge between statutory and VCSE sector organisations to develop partnerships that support the development of public services, including health and social care, and local economies.

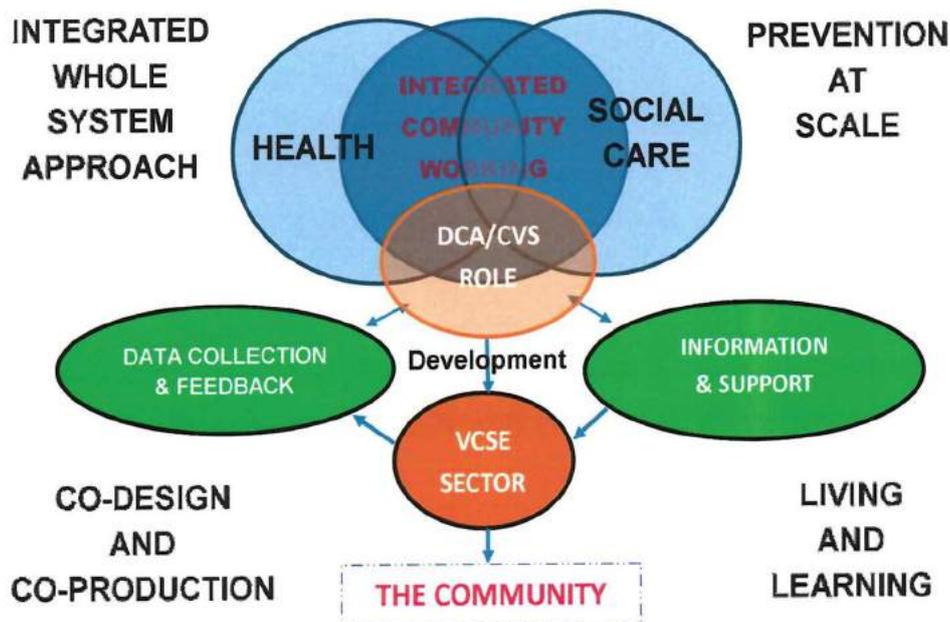
Alongside Dorset's Clinical Commissioning Group, DCA has been working in partnership with Bournemouth CVS and Poole CVS, to identify how best the VCSE sector can support changes in health and social care. Activity has included promoting the Clinical Services Review through our networks, and supporting the Better Together Early Help Board in developing its strategy for preventative services in our communities.

Case Study: VCSE Navigators

Through the Better Together programme, with funding from the Better Care Fund, we completed a one year pilot project to develop working models for how VCSE sector services could compliment patient care and enable GPs to find improved outcomes for their patients.

The pilot looked at how best VCSE services could be integrated into Multi-Disciplinary Team (MDT) working, to undertake case finding, case management, care coordination, personalised care planning, treatment and review to coordinate and optimise the social, medical and psychological health of patients in the community.

DCA attended MDT meetings in 26 GP practices across Dorset, to assist the prevention of unplanned hospital admissions and delay demand for high cost care, typically supporting patients who are frail or have long term conditions to reduce their reliance on urgent care services.



The pilot project demonstrated that supporting professionals to support their patients to access the right VCSE sector services can both save money and increase the social impact value of current services offered. To make this work a “Whole System’s Approach” is needed.

If just 50% of the pilot cohort saw a similar impact, as the 7% reviewed, this pilot project would have generated; £1,178,571 of savings and £1,012,657 of social impact value in just one year.

We view the further development of this work as vital to making best use of the VCSE sector, if we are going to meet the targets of reducing unplanned hospital admissions, and delaying patients going into intensive social care.

NHS England cited DCA’s VCSE Navigator Pilot as an example of good practice in their “Atypical Commissioning Guidance”. (NHS Report <http://bit.do/england-nhs-uk>).

DCA: Bringing Local Organisations & Partnerships Together

DCC Youth Centre Transfers

As part of a wider partnership approach taken by Dorset County Council in engaging VCSE organisations, DCA was asked by DCC to work with three targeted community groups who wanted to take over the running of their Youth Centres as part of an asset transfer/phased lease agreement with the Council. The three groups identified by the Council to receive DCA’s support were:

- Gillingham Youth Foundation
- SPARKS – Southill Community Centre
- Crossways Community Centre

DCA delivered the work using a co-production model, which would provide the groups with the tools needed to independently move forward and plan their projects, resulting in submission of a business case to the Council.



Outcomes achieved included:

- DCA increased awareness of support available for the projects – 15 support services and 8 volunteer specific services were signposted to groups;
- DCA was able to demonstrate that as a result of our Community Advisor support the three projects are more sustainable;
- DCA was able to demonstrate the impact our support had on the three community groups and the wider community through collected evaluation evidence;
- DCA had a positive impact on the DCC Youth Centre Projects' ability to support their local community.

"We would not have got to where we are without DCA support" (Gillingham YC)

DCA: Protecting Rural Services

2016 saw the introduction of the Big Lottery's £1.4 million funded "Village SOS" project. This project was administered by ACRE and delivered across Dorset by DCA. During 2016 DCA supported 16 projects to access funded support through this initiative. Groups were able to receive up to £1,500 to make their projects more sustainable, with projects from local food, preschools services, to village halls. This funding has allowed these groups to grow and continue to support their local rural economies, communities and provide valued services within isolated villages across Dorset.

Case Study – Charmouth Dragon



Charmouth Dragon is a mobile food shop that sells organic, locally-grown fruit and vegetables, dairy, meat, and baked goods, and is a project of a grower's co-operative. Charmouth Dragon were unsure about how to take their project forward, and work was needed to see if their current model was sustainable. With the mobile food shop underdoing significant repairs over the summer after an accident, we took the opportunity to revisit the business plan, governance, and funding while the van was off the road. Through assessment, coaching, and consultancy work, DCA was able to pinpoint two priorities for Charmouth Dragon:

- To determine a more effective governance structure for Charmouth Dragon (i.e. incorporation and independence from the co-operative) that will allow for limited liability for the main worker and greater support and oversight than is currently available.
- To become more sustainable through making a profit on its sales through a more effective social enterprise model.

Outcomes achieved included :

1. Charmouth Dragon having new relationships with co-operative, accountancy and legal services to find effective solutions for moving forward and becoming more sustainable.
2. Development of a wider range of contacts for villages, pubs, shops, or community spaces that may be potential new sites for sales.
3. Charmouth Dragon is now working on developing a website-based sales platform and is considering using local village pubs and village halls as drop-off points for local orders, integrating itself into local village life in areas where there are no village shops to meet local fresh food needs.

3. Sustainable Communities – supporting our communities to live more sustainably and be more able to cope with environmental and economic challenges and change

DCA: Bringing Local Sustainability Partnerships Together

Community Economic Development

Following work on the local food economy on our **Communities Living Sustainably** project, we secured funding this year from the national Community Economic Development programme to deliver a community led “economic evaluation” to put a value on the potential benefits of increased localisation of Bridport’s economy. Several parts of Bridport suffer from often unrecognised under employment, in a low wage and high housing cost economy. The project was to estimate the potential value of key parts of a new local economy, e.g. forecasting how much revenue and how many jobs a potential re-localised food (or other) sector might produce.



With the support of the REconomy project, in Totnes we started work with local stakeholders to address these issues and prepare a grass roots led economic plan for Bridport based on REconomy's tested methodology. Sectors covered included our three themes of:

- Local food – allowing communities to be more in control of our food system and benefit from its outputs;
- Health & social care – looking after ourselves and our most vulnerable residents as public spending declines;
- Local Materials in Construction, – enabling increased use of locally sourced/processed materials for domestic housing in West Dorset, and facilitating the adoption of new construction technologies to take advantage of these materials.

Building on the 'brand' and reputation of CLS in Dorset, we used a variety of tools, workshops, and surveys for engaging various sectors of the community, towards the end of 2016 and into 2017, led by Bridport-based researchers and groups of 'Champions' in our three themes.

As importantly we are putting in place new ways of funding local people to take advantage of new opportunities to start community enterprises this work is creating, including the successful piloting of 'soup' crowd funding social events. Initial feedback from public stakeholder events to raise awareness of the process, to share information about the CED approach, explain the aims, expected outcomes and process, and engage various sectors of the community has been positive. The work lead by our three theme groups progresses for completion in spring 2017.

DCA: Supporting Social Enterprises

Building Better Opportunities

At a time of funding and service cuts to our local communities, DCA views it as increasingly important that we support the relocalisation of our rural town economies, and to support the development of enterprising communities. Community enterprise has the power to change lives, and help address the employability barriers many people face including unequal opportunities and lack of suitable jobs in our local communities, by developing community enterprise as an option to mainstream employment.

To this end, during the year DCA submitted a successful Stage 2 bid to the BIG Lottery's Building Better Opportunities programme, Supporting Enterprise theme to support unemployed and economically inactive people to develop enterprise skills, through a community based test & learn model. DCA is leading a partnership of Poole CVS, Bournemouth CVS, YTKO, and Edventure, enabling us to successfully build new relationships between organisations and social entrepreneurs, to enable us to develop more sustainable local economies.



A feature of our proposed delivery model is working through our wider local networks to 1) develop referrals into the programme through community anchor organisations e.g. those providing IAG services, or supporting communities of interest, and 2) those organisations that can provide workspace and/or have an interest in developing enterprise e.g. through a community centre providing opportunities for young people to test ideas.

The project will be challenging to deliver, using enterprise to engage the hardest to reach and long term unemployed, but it is a terrific opportunity for DCA to lead development of a Dorset wide community enterprise partnership. We view DCA's continued support for community and social enterprises to meet economic challenges, as an important part of our work in developing sustainable community services.

Structure, Governance and Management

Governing Document

Dorset Community Action is a company limited by guarantee governed by its Memorandum and Articles of Association dated 18th February 1997. It is registered as a charity with the Charity Commission. Anyone over the age of 18 can become a member of the charity and there are currently 342 member organisations (242 in 2016), each of whom agrees to contribute £1 in the event of the charity winding up.

Organisation

Dorset Community Action is both a Rural Community Council (RCC) and a Council for Voluntary Service (CVS). It has a Board of Trustees of up to fifteen members, the majority of whom are elected from the Dorset Community Action membership. Trustees may co-opt up to five persons who are willing to be Trustees, including one non-voting member nominated by Dorset County Council and one non-voting member from a Dorset District Council.

Dorset Community Action aims to recruit a diverse range of Trustees in order to retain a balanced Board representative of the community. New procedures introduced in 2012 ensure that all candidates for Trusteeship offer relevant skills and knowledge to the Board. In the case of elected Trustees, all nominees are requested to attend an informal meeting with the Chair of the Trustees, observe a Board meeting and can meet with senior staff before making a decision on whether to join. All Trustees are required to sign a declaration of eligibility and a conflict of interests form. Dorset Community Action maintains a register, which lists, for each Board member, any business or personal interests, which could conflict with Dorset Community Action's interests. Entries are reviewed annually and the register is available for inspection. On appointment, Trustees are provided with documents including a copy of the Governing Document of the Charity and copies of the last audited accounts and Board minutes.

Trustees of Dorset Community Action:

- Decide the overall policy and direction of Dorset Community Action work;
- Ensure that the organisation is run in compliance with its Governing Document, Charity Law and Company Law;
- Ensure that funds received by Dorset Community Action are properly managed and accounted for;
- Act as the formal employer of the staff, and approve all HR policies;
- Support and guide Senior Managers as appropriate;
- Understand, promote and safeguard the good name and ethos of Dorset Community Action;
- Monitor the performance of the organisation in meeting its objectives;
- Represent Dorset Community Action at external meetings.

The Board of Trustees meet every quarter, though the Board can arrange additional meetings to ensure that their duties are fulfilled. A Finance and General Purposes Committee was established by the Board in September 2016 to maintain an overview of, and to provide advice to it, regarding the financial and administrative affairs for the charity. This Committee also meet on a quarterly basis. A Chief Executive is appointed by the Trustees to manage the day-to-day operations of the charity, and implement the strategies agreed by the Board. The Chair and Chief Executive meet and communicate regularly.

All Trustees give their time freely and none of the Trustees receive remuneration or other benefit from their work with the charity. See note 9 for travel expenses paid to Trustees in 2017. In the current year no related party transactions were reported.

The charity is a founder member of ACRE (Action with Communities in Rural England), which is the national network of RCCs, and a full member of the National Association for Voluntary and Community Action (NAVCA). Through these networks, Dorset Community Action influences the development of national policy and practice. The seven RCCs in the South West Region are jointly the founders and members of SWAN (South West Acre Network) and through that charity, they co-operate in regional activities. During 2009, Dorset Community Action achieved the NAVCA Quality Standard. During 2011 Dorset Community Action achieved the ACRE quality standard at level 3.

Across Bournemouth, Dorset and Poole, Dorset Community Action participates in many partnerships within the voluntary and statutory sectors, wherever that benefits communities or voluntary organisations.

Staff and Premises

Working from its registered office in Dorchester, Dorset Community Action also runs and manages the Community Learning and Resource Centre in Wimborne town centre. The total number of paid employees as at 31st March 2017 was 6 full-time and 13 part-time.

The pay for all staff is reviewed annually and normally increased in accordance with the rate of average earnings. Pay scales for all staff are set on a similar level to other RCC's across the country and benchmarked against the NJC pay scales.

Investment Policy

There are no restrictions on the charity's power to invest. The investment strategy is set by the Trustees to take account of the demands for funds. The current policy is to invest surplus cash funds for short periods with major banking institutions as cash deposits.

Reserves Policy

The reserves of the charity are those that are freely available to be spent in pursuing the charity's objects. The free reserves of the charity at the year-end were:

	2017	2016
Total reserves	341,245	313,953
Less: Restricted funds	(78,651)	(77,603)
Free reserves	<u>262,594</u>	<u>236,350</u>

This represents 6 months recurring general funds expenditure (2016: 6 months).

The Trustees consider that the charity needs to maintain free reserves at a minimum of 2.5 and a maximum of 9 months core expenditure as a cushion against fluctuations of income. The Trustees are of the view that Dorset Community Action is a going concern.

Risk Management

The Trustees have a risk management strategy in place which comprises:

- an annual review of the principal risks and uncertainties that the charity may face;
- the establishment of policies, systems, and procedures to mitigate those risks identified in the annual review;
- the implementation of procedures designed to minimise or manage any potential impact on the charity should those risks materialise.

This work has identified that financial sustainability is the major risk for the charity. Key elements in the management of financial risk are regular monitoring of current funding contracts, early identification of any problems with delivery of outcomes, and regular communication with funders.

Attention has also been focussed on future funding and ensuring that DCA chooses the right direction and strategy to match a changing operating environment by the creation of a strategic plan which includes involvement from staff, trustees and stakeholders.

Specific areas of future financial risk resulting from the changes in local authorities, the move to unitary status, and ongoing budget cuts include:

- Loss of district council and county council income by 2019, if not earlier following the formation of a new unitary authority. We intend to mitigate this through developing relationships with new client groups.
- A local authority tenant at our Community Learning and Resource Centre in Wimborne giving notice on the offices they are currently leasing, which we are mitigating through early identification of alternative tenants and letting options.

Grant Making

All the funds administered in grants by the charity are governed by procedures and limits laid down and agreed in advance between the charity and those partners funding the grant schemes.

Representatives of partners always play an active role in the decision-making. The charity will not pay any grants in advance of receipts of funds of partners without the funders permission.

Details of grants paid in the year are shown in Note 8 to the financial statement.

Financial Review

The results for the year and the financial position of the charity are shown in the attached financial statements.

In summary, the Charity's total income for the year was £773,536 (2016 - £991,046) of which £573,539 related to restricted project income (2016 - £547,620). Total expenditure for the year was £746,244 (2016 - £1,009,119) of which £572,385 related to restricted project expenditure (2016 - £582,038).

The net movement in unrestricted funds for the year was a surplus of £26,244 (2016 – surplus £17,866) resulting from a £24,559 surplus on general reserves and a surplus of £1,685 on the designated fund, Community Learning and Resource Centre. The carried forward balance on unrestricted funds of £262,594 (2016 - £236,350) forms the general reserves of the charity.

The net movement in restricted funds was a surplus of £1,048 (2016 – deficit of £35,939).

The investments produced a return of 0.7% on the cash placed on deposit. This is seen as an acceptable return in the current economic climate.

Plans for Future Periods

During 2017/18, we expect to see ongoing changes in the public sector continuing to affect Dorset Community Action, including the first moves towards unitary authority status in Dorset. An ongoing focus will be to develop new income streams as public sector funding reduces, and to support the development of new service delivery models to our communities. Other areas of focus for the coming year will be:

Action with Communities in Rural England (ACRE)

Nationally, supporting the ongoing development of a reshaped Defra agreement and a Network Development Plan (NDP) setting out the objectives and actions that the ACRE network intends to pursue over the lifetime of the plan, including sustainability and transformational change.

Supporting Local Area Partnerships

With 2017/18 seeing further district council funding cuts for Local Area Partnerships (LAPs) and across the sector, DCA is developing how it can best support LAP's on reduced funding, and work towards self-sustaining LAPs, at a time when local grass roots, participative democracy is as important as ever.

Dorset's VCSE Infrastructure

Working with DCC on a two year pilot to facilitate the co-design of services with communities, and better connect the services offered by the VCSE, through supporting the Living & Learning pilots.

Changes in health and social care services and in how the VCSE sector is integrated into new services, following the Clinical Services Review.

Sustainability and local economic development through developing new programmes of work based on our successful Communities Economic Development programme to promote more enterprising local communities, and through programmes such as Building Better Opportunities.

The ongoing development of our marketing strategy and in how we position our services in new markets will be an important part of preparing for these changes, including improved engagement with private sector partners.

Trustees' responsibilities in relation to the financial statements

The charity Trustees (who are also the directors of Dorset Community Action for the purposes of company law) are responsible for preparing the Trustees' Annual Report and Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 ("FRS 102").

Company law requires the charity Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements we are required to:-

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make reasonable and prudent judgements and estimates;
- State whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable us to ensure that the financial statements comply with the Companies Act 2006. We are also responsible for

safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure to auditor

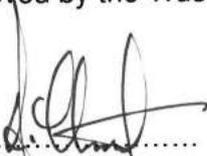
In so far as the Trustees are aware at the time of approving our Trustees' Annual Report:

- (a) there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the charity's auditors are unaware, and
- (b) the Trustees, have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Small Company Provisions

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

Approved by the Trustees on and signed on their behalf by



.....
A Clevett (Chair)
1st December 2017

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

We have audited the financial statements of Dorset Community Action for the year ended 31 March 2017 set out on pages 22 to 40. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard FRS 102.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

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

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the charity's state of affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

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

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



Nicholas Fernyhough (Senior Statutory Auditor)
Saffery Champness LLP
Chartered Accountants
Statutory Auditors

For and behalf of
Midland House
2 Poole Road
Bournemouth
BH2 5QY

6 December 2017

Company Registration No. 3320011

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31ST MARCH 2017

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Incoming resources					
Incoming resources from generated funds:					
Activities for generating funds:					
Consultancy and training		47,295	-	47,295	23,755
Investment income	4	1,672	-	1,672	4,680
Incoming resources from charitable activities, sustaining and enhancing community life in Bournemouth, Dorset & Poole	3	151,030	573,539	724,569	962,611
Total incoming resources		<u>199,997</u>	<u>573,539</u>	<u>773,536</u>	<u>991,046</u>
Resources expended					
Charitable activities	5	173,859	572,385	746,244	1,009,119
Total resources expended		<u>173,859</u>	<u>572,385</u>	<u>746,244</u>	<u>1,009,119</u>
Net (expenditure) / income for the year before transfers		26,138	1154	27,292	(18,073)
Transfers	7	106	(106)	-	-
Net movement in funds for the year	16	26,244	1,048	27,292	(18,073)
Fund balances brought forward		236,350	77,603	313,953	332,026
Fund balances carried forward	17 & 18	<u>262,594</u>	<u>78,651</u>	<u>341,245</u>	<u>313,953</u>

All of the above results are derived from continuing operations and include all gains and losses recognised in the period

Unrestricted funds net movement in funds for the year is a surplus of £26,244 and increases the balance in general reserves to £262,594.

Restricted funds net movement in funds for the year is £1,048, leaving a carried forward figure of £78,651 for use by the respective restricted funds in 2017/2018 (see note 16).

The notes on pages 25 to 40 form an integral part of these financial statements.

BALANCE SHEET AS AT 31st MARCH 2017

	Notes	2017 £	2016 £
Fixed assets			
Tangible fixed assets	13	-	-
Current assets			
Debtors	14	53,926	65,601
Short term deposits		231,906	332,233
Cash at bank and in hand		90,687	67,450
		<u>376,519</u>	<u>465,284</u>
Creditors: Amounts falling due within one year	15	<u>(35,274)</u>	<u>(151,331)</u>
Net current assets		<u>341,245</u>	<u>313,953</u>
Net assets		<u>341,245</u>	<u>313,953</u>
Funds			
Unrestricted funds:			
General reserves		260,909	236,549
Designated funds		1,685	(199)
	17	<u>262,594</u>	<u>236,350</u>
Restricted funds	18	<u>78,651</u>	<u>77,603</u>
Total funds		<u>341,245</u>	<u>313,953</u>

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

Approved on behalf of the trustees on 1st December 2017 by:



 A Clevett (Chair)

Company Registration No. 3320011

The notes on pages 25 to 40 form an integral part of these financial statements

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31st MARCH 2017**

	Notes	2017 £	£	2016 £	£
Net cash (used in)/ provided by operating activities	22	(78,762)		17,158	
Cash flows from investing activities:					
Dividends, interest and rents from investments		1,672		4,680	
Net cash provided by investing activities			1,672		4,680
Change in cash and cash equivalents in the reporting period			(77,090)		21,838
Cash and cash equivalents at the beginning of the reporting period			399,683		377,845
Cash and cash equivalents at the end of the reporting period	23		322,593		399,683

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2017

1 Legal status of the charity

The charity is a company incorporated in England and Wales, limited by guarantee and has no share capital. The guarantors are the members whose liability in the event of a winding up is limited to £1 each. There were 250 members at the balance sheet date (2016: 254 members).

2 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015) – (Charities SORP (FRS 102)), and the Companies Act 2006. The principal accounting policies which have been adopted on a consistent basis within that convention are set out below.

Dorset Community Action constitutes a public benefit entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The comparative figures have been amended to reflect a revision in the treatment of internal transfers but this does not affect the overall closing 2016 position.

Preparation of the accounts on a going concern basis

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2017 (continued)

Incoming resources

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

Donated assets are included in the Statement of Financial Activities on a receivable basis based on the estimated value of the assets to the charity.

Funding received is included as income from activities in furtherance of the charity's objects, but included in restricted funds where the grant is specific to a particular project. Income is deferred only where the donor has specified that project expenditure should be expended in a future accounting period.

Interest receivable

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

Resources expended

Resources expended are accounted for in the period in which they are incurred. The irrecoverable element of VAT is included with the item of expense to which it relates.

Where an item of expenditure falls directly within one cost category it is attributed to that category only. Where expenditure involves more than one category it is apportioned on a reasonable and justifiable basis. Governance costs are allocated to restricted fund projects in accordance with amounts agreed with funders. These charges are shown as reallocation of internal expenses.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional and the condition remains in the control of the charity. Grants offered subject to such conditions which have not been met at the year-end are noted as a commitment, but not accrued as expenditure.

Tangible fixed assets and depreciation

All assets with a cost in excess of £2,000 have been capitalised with the exception as noted below.

Project specific equipment purchases are mostly funded directly by the funder at the start of the project and are not capitalised as the items may be returned to the funder or given to the project. Most items cost less than £2,000. Such costs are charged in full in the Statement of Financial Activities when purchased.

Fixed assets are depreciated to residual value over their estimated useful economic life in equal annual instalments at the following rates:

Fixtures, fittings and equipment	- 25%
IT Equipment	- 50%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2017 (continued)

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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

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

Restricted funds

Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. The cost of raising and administering such funds are charged against the specific fund. With the agreement of the funder, restricted funds can roll forward brought forward balances for use as income in the next financial year. The aim and use of each restricted fund is set out in the notes to the financial statements.

Designated funds

Designated funds are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects. The aim and use of each designated fund is set out in the notes to the financial statements.

Unrestricted funds

These are funds which can be used in accordance with the charitable objects at the discretion of the trustees and which have not been designated for other purposes.

Operating leases

Rentals applicable to operating leases (where substantially all the benefits and risks of ownership remain with the lessor) are charged to the Statement of Financial Activities when incurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2016 (continued)

Pensions

(a) Defined benefit

Some longer serving employees of Dorset Community Action are associate members of the Dorset County Council defined benefit superannuation scheme. The employer's contribution is charged to the Statement of Financial Activities as incurred, as it is not possible to identify the individual share of the pension scheme's underlying assets and liabilities attributable to Dorset Community Action.

The Dorset County Pension Scheme is a multi-employer defined benefit scheme administered for the benefit of Local Authorities and other bodies and is managed in accordance with the Local Government Pension Scheme Regulations 1997. Past and present employees are covered by the provisions of the Dorset County Pension Scheme.

Since April 2014 it has been a CARE scheme (Career Average Revalued Earnings) so employee benefits are based on earnings received each scheme year. Pre April 2014 it was a final salary scheme and employees with pre April 2014 service will still have that portion of their pension calculated on their final salary.

The employer's contribution made to the scheme in 2016/17 was £15,305 (2016:£15,235) with an employer's contribution rate of 14.4% of pensionable pay and an employee's contribution of 5.8% and 6% of pensionable pay. An actuarial valuation of the scheme as at 31st March 2013 showed a funding deficit in the whole of the pension fund. DCA was pooled with other small admitted bodies and a deficit recovery rate of 5.6% of payroll put in place which equates to £3,900 per year which is included in the employer's contribution figure. Another actuarial valuation of the scheme is due in April 2017.

(b) Defined contribution

The charity operates two defined contribution pension schemes for its employees' one being with Dorset County Council, which is now closed to new employees, and the other with Friends Provident. The assets of the schemes are held separately from those of the charity. The annual contributions payable are charged to the Statement of Financial Activities. Dorset Community Action pays a contribution of 6% into the Friends Provident scheme and acts as an agent in collecting and paying over employee pension contributions. The contributions made for the accounting period are treated as an expense and were £7,735 (2016:£10,230).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2017 (continued)**

3 Funding receivable (funders giving in excess of £30k)

	2017	2016
	£	£
ACRE (Action with Communities in Rural England)	77,894	56,360
Big Lottery Fund	110,259	290,441
District Councils (general)	28,775	53,967
Dorset County Council	102,724	296,369
NHS Dorset Clinical Commissioning Group	34,340	85,747
British Gas Energy Trust	149,303	99,536
Optum Health Solutions (UK) Ltd	57,396	57,036
Other funding received	90,710	74,925
	<u>651,401</u>	<u>1,014,381</u>
Deferred income brought forward	73,168	21,398
Deferred income carried forward	-	(73,168)
	<u>724,569</u>	<u>962,611</u>

4 Investment income

	2017	2016
	£	£
UK bank and building society interest	1,672	4,680
	<u>1,672</u>	<u>4,680</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2017 (continued)**

5 Charitable Activities

Sustaining and enhancing community life in Bournemouth, Dorset and Poole

Funds	Unrestricted	Restricted	Total	Total
	Funds	Funds	Funds	Funds
	£	£	2017	2016
			£	£
Employee costs:				
Salaries	75,646	302,279	377,925	414,688
Payroll charges	770	1,999	2,769	2,742
Recruitment	-	1,009	1,009	529
Training and conference costs	68	1,046	1,114	828
Premises related expenses:				
Rent and rates	11,061	16,356	27,417	27,898
Repairs and maintenance	478	920	1,398	8,624
Utilities	12,316	2,526	14,842	15,534
Transport related expenses:				
Travel and subsistence	2,416	7,323	9,739	11,774
Supplies and services:				
Postage, stationery, printing and Photocopying	1,893	9,347	11,240	11,537
Grants	3,841	162,844	166,685	263,704
Subscriptions and publications	1,841	4,197	6,038	6,288
Telephone	1,611	6,994	8,605	7,958
Training delivery/Community Lunch	860	6,294	7,154	3,222
Office expenses	2,235	3,148	5,383	3,728
Office equipment and maintenance	2,278	3,106	5,384	10,256
Insurance	4,506	4,178	8,684	9,121
Professional and consultancy fees	867	7,039	7,906	862
Project expenditure	1,240	25,122	26,362	103,915
VAT to HMRC	7,539	6,658	14,197	65,622
Governance costs (see note 6)	42,393	-	42,393	40,289
	<u>173,859</u>	<u>572,385</u>	<u>746,244</u>	<u>1,009,119</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2017 (continued)

6 Governance Costs

	2017	2016
	£	£
Employee costs	29,334	26,749
Premises related expenses	1,264	1,136
Supplies and services	1,809	1,626
Meetings and committee expenses	1,491	2,285
Trustees' indemnity insurance	495	493
Accountancy fees	5,000	5,000
Audit fees	3,000	3,000
	42,393	40,289

Support and governance costs have been allocated to charitable activities as this is the sole category of expenditure.

7 Transfers

During the year £106 (2016: £1,521) of restricted fund balances was transferred to unrestricted funds on completion of projects. This was in agreement with the funders, where necessary.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2017 (continued)**

8 Grants payable in furtherance of the charity's objects

	2017	2016
	£	£
Grants to Institutions:		
Building Better Opportunities in Dorset	-	4,512
Building Better Opportunities Supporting Enterprise Dorset (Development)	5,698	-
Village SOS Grants	3,841	-
Communities Living Sustainably Programme	37,033	241,105
Village Shop Grants		350
Dorset Best Village	100	-
British Gas Energy Trust (Healthy Homes)	<u>120,013</u>	<u>17,737</u>
	<u>166,685</u>	<u>263,704</u>
Grants in excess of £1,000:		
Building Better Opportunities – Grants to Partners	-	4,512
Building Better Opportunities Development – Grants to Partners	5,698	-
Communities Living Sustainably Programme – Grants to Partners	97,502	226,497
British Gas Energy Trust – Grants to Partners	93,550	26,157
Other grants under £1,000	<u>3,941</u>	<u>350</u>
	200,691	257,516
Grants payable brought forward	(52,049)	(45,861)
Grants payable carried forward	<u>18,043</u>	<u>52,049</u>
	<u>166,685</u>	<u>263,704</u>

As the accountable body for the Communities Living Sustainably programme and Building Better Opportunities Development Grant, DCA administered the grant funding received from Big Lottery.

As the accountable body for the Healthy Homes project, DCA administered the grant funding received from the British Gas Energy Trust.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2017 (continued)

9 Trustees' remuneration and expenses

No trustee has received any remuneration or benefit (2016: none). Three of the trustees received a total of £491 during the year in respect of reimbursed conference and travel expenses (2016: £600 to five trustees). The charity has paid premiums of £495 (2016: £493) to provide £1 million of indemnity insurance for the trustees.

10 Employee numbers and staff costs

The average number of employees in the year, calculated on a full time equivalent basis, was as follows:-

	2017	2016
Operational	12	12
Management and administering the charity	2	2
	14	14

The aggregate payroll costs of employing these staff were as follows:-

	2017 £	2016 £
Wages and salaries	356,579	389,749
National Insurance	28,102	28,855
Pension scheme – defined benefit	15,305	15,235
Pension scheme – defined contribution	7,273	10,230
	407,259	444,069

No employee earned more than £60,000 per annum.

The key management personnel comprises of the Chief Executive and 3 Senior Managers. Total employee salary paid to key management personnel was £162,885 (2016: £136,723).

11 Tax status

The charitable incorporated organisation is registered as a charity under the Charities Act 2011 and as such is entitled to the exemptions under Income and Corporation Taxes Act 1988.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2017 (continued)

12 Net income

Net income is stated after charging

	2017	2016
	£	£
Staff pension contributions	22,578	25,465
Depreciation	-	-
Operating lease payments	12,150	24,473
Auditors' remuneration	3,000	3,000
	<u> </u>	<u> </u>

13 Tangible fixed assets

	Fixtures, Fittings and equipment £
Cost	
As at 31 st March 2016 and 31 st March 2017	<u>29,370</u>
Depreciation	
As at 31 st March 2016 and 31 st March 2017	<u>29,370</u>
Net book value	
As at 31 st March 2016 and 31 st March 2017	<u>-</u>

All tangible fixed assets are used in direct furtherance of the charity's objectives.

14 Debtors

	2017	2016
	£	£
Funding receivable	40,091	32,492
Prepayments and accrued income	13,835	33,109
	<u>53,926</u>	<u>65,601</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2017 (continued)

15 Creditors: Amounts falling due within one year

	2017 £	2016 £
Other creditors	26,774	69,663
Accruals	8,500	8,500
Deferred income	-	73,168
	35,274	151,331

16 Net movement in funds for the year

Restricted funds

The net movement in funds for the year on restricted funds was a surplus of £1,048.

The carried forward balance on restricted funds of £78,651 relates to specific projects and is not available for the general use of the charity. The aim and use of each restricted fund is set out in note 18 to the financial statements.

Unrestricted funds

The net movement in funds for the year on unrestricted funds comprises of a surplus of £24,559 on general reserves and a surplus of £1,685 on the Community Learning and Resource Centre. The carried forward balance on unrestricted funds of £262,594 forms the general reserves for general use of the charity.

17 Unrestricted funds

	Balance B/fwd £	Incoming resources £	Outgoing resources £	Transfers £	Balance C/fwd £
Designated funds:					
-Community Learning and Resource Centre	(199)	116,631	(114,747)	-	1,685
General funds	236,549	83,366	(59,112)	106	260,909
	236,350	199,997	(173,859)	106	262,594

The designated fund "Community Learning and Resource Centre" relates to a centre for adult and community learning in Wimborne.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2017 (continued)

18 Restricted funds

	Balance B/fwd £	Incoming resources £	Resources expended £	Transfers £	Balance C/fwd £
Action with Communities in Rural England	57	52,090	(52,138)	-	9
Building Better Opportunities – Supporting Enterprise Dorset Development (BLF)	-	50,000	(40,707)	-	9,293
Dorset Best Village Competition	1,990	2,950	(2,702)	-	2,238
Big Energy Saving Network	-	10,000	(10,000)	-	-
British Gas Energy Trust	25,424	199,071	(171,086)	-	53,409
Community-led Economic Development	-	5,000	(5,000)	-	-
Communities Living Sustainably (BLF)	49,075	52,340	(90,574)	-	10,841
Dorset County Council	-	101,652	(100,284)	-	1,368
NHS Dorset Clinical Commissioning Group	-	34,340	(33,904)	-	436
Energy Best Deal	-	1,500	(1,500)	-	-
LiveWell Dorset	-	57,396	(57,290)	(106)	-
Sherborne Local Area Partnership	-	7,200	(7,200)	-	-
Village shops	1,057	-	-	-	1,057
	<u>77,603</u>	<u>573,539</u>	<u>(572,385)</u>	<u>(106)</u>	<u>78,651</u>

*(BLF) denotes restricted funds which are partially or fully funded by the Big Lottery Fund.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2017 (continued)

18 Restricted funds (continued)

The charitable purposes of the restricted funds are as follows:-

A = Active funds

C = Completed funds

Action with Communities in Rural England

Grant received from ACRE resulting from Defra's Grant Aid Investment Programme, to deliver local strategic support to rural communities enabling them to take action, to share learning on sustainable funding models and to provide access to local intelligence. (A)

Building Better Opportunities - Supporting Enterprise Dorset Development Fund

DCA was successful in reaching Stage 2 of the BIG Lottery's Building Better Opportunities (BBO) programme (enterprise strand), and secured twelve months development funding to prepare its stage 2 bid. The funding was used to bring together a partnership to gather evidence on supporting economically inactive and long term unemployed to support the Stage 2 bid. (A)

Dorset Best Village Competition

DCA administers sponsorship and provides help and support to volunteers to run a competition to encourage community effort in keeping villages tidy and stimulate pride in appearance, and encourage villages to improve individual and community involvement in various ways. (A)

Big Energy Saving Network

To provide assisted action to vulnerable consumers, to help them save money on their energy costs through outreach sessions, and to deliver an energy saving training programme to front line workers who have regular contact with vulnerable consumers. (A)

British Gas Energy Trust (an independent charity separate from British Gas)

Grant received to provide a partnership project for Healthy Homes to deliver a Dorset wide programme of interventions tackling all three element of fuel poverty: low income, high fuel cost and high fuel use. Activities included; Training and support for frontline workers, targeted information and advice on fuel poverty, advocacy support and emergency and hardship grants and loans. (A)

Community-led Economic Development

Grant received from Groundwork UK to support a community led economic plan within the Bridport area. (C)

Communities Living Sustainably (CLS) Project

Grant received from the Big Lottery to enable people living in Bridport, Dorchester and surrounding areas to live more sustainably and be more able to cope with environmental challenges and change. (A)

Dorset County Council

Strategic grant from DCC to build capacity of the VCSE sector through focused support, advice and training. (A)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2017 (continued)**

18 Restricted funds (continued)

NHS Dorset Clinical Commissioning Group

Grant from CCG to provide advice, training and consultancy support for the benefit of community groups, charities and social enterprises in Dorset. (A)

Energy Best Deal

Funding received from the National Association of Citizens Advice Bureaux to deliver Energy Best Deal group sessions aimed at vulnerable groups of frontline workers and volunteers that support vulnerable consumers. To advise the consumers on switching to lower tariffs/suppliers, Warmer Home Discount rebates, energy efficiency and fuel debt. (A)

LiveWell Dorset

Dorset Community Action received funding from Optum UK to work on the LiveWell Dorset project in order to enable and equip groups from the community and voluntary sector to refer people into the LiveWell service. Together with supporting VCSE service users to think about the area of health behaviour change, DCA is also helping to up skill our sector to cope with these new demands and promoting the use of the Natural Choices service. (C)

Sherborne Local Area Partnership

Dorset Community Action received funding from West Dorset District Council to provide the Sherborne Local Area Partnership with support in its operation, development and activities. (A)

Village Shops Grants

To provide a small grants fund to support shops and communities affected by the recent Post Office closure programme. (A)

19 Analysis of net assets between funds

	Unrestricted Funds	Designated Funds	Restricted Funds	Total Funds
	£	£	£	£
Fixed assets	-	-	-	-
Net current assets	260,909	1,685	78,651	341,245
Net assets	<u>260,909</u>	<u>1,685</u>	<u>78,651</u>	<u>341,245</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2017 (continued)**

20 Commitments under operating leases

At 31st March 2017, the charity had aggregate total commitments under non-negotiable-operating leases as set out below:-

	Land and Buildings 2017 £	Plant and Machinery 2017 £	Land and Buildings 2016 £	Plant and Machinery 2016 £
Non-cancellable operating leases which expire				
Within one year	19,204	-	22,950	-
In two to five years	60,000	-	64,204	-
In over five years	100,973	-	115,973	-
	<u>180,177</u>		<u>203,127</u>	

21 Capital commitments

There were no material capital commitments in respect of specific charitable projects or the purchase of tangible fixed assets as at 31st March 2017.

22 Reconciliation of net income to net cash flow from operating activities

	2017 £	2016 £
Net income/ (expenditure) for the reporting period (as per the statement of financial activities)	27,292	(18,073)
Dividends, interest and rents from investments	(1,672)	(4,680)
Decrease/ (increase) in debtors	11,675	(34,982)
(Decrease)/ increase in creditors	(116,057)	74,893
Net cash (outflow)/ inflow from operating activity	<u>(78,762)</u>	<u>17,158</u>

23 Analysis of cash and cash equivalents

	2017 £	2016 £
Cash at bank and in hand	90,687	67,450
Short term deposits	231,906	332,233
	<u>322,593</u>	<u>399,683</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2017 (continued)**

24 Comparative information

	Unrestricted Funds	Restricted Funds	Total Funds 2016
	£	£	£
Incoming resources			
Incoming resources from generated funds:			
Activities for generating funds:			
Consultancy and training	23,755	-	23,755
Investment income	4,680	-	4,680
Incoming resources from charitable activities, sustaining and enhancing community life in Bournemouth, Dorset & Poole	414,991	547,620	962,611
Total incoming resources	<u>443,426</u>	<u>547,620</u>	<u>991,046</u>
Resources expended			
Charitable activities	427,081	582,038	1,009,119
Total resources expended	<u>427,081</u>	<u>582,038</u>	<u>1,009,119</u>
Net (expenditure) / income for the year before transfers	16,345	(34,418)	(18,073)
Transfers	1,521	(1,521)	-
Net movement in funds for the year	17,866	(35,939)	(18,073)
Fund balances brought forward	218,484	113,542	332,026
Fund balances carried forward	<u>236,350</u>	<u>77,603</u>	<u>313,953</u>