

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



(COMPANY LIMITED BY GUARANTEE)

Annual Report and Accounts

**for the year ended
31st MARCH 2018**

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 11 th 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 80 Cheapside London EC2V 6DZ

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST MARCH 2018

The Trustees are pleased to present their report and audited financial statements for the year ended 31st March 2018. 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 2017/18

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. Notwithstanding these challenges, we continued to provide a free of charge service for all customers, and a range of great value training and consultancy services, supporting 250 groups during the year, with 301 groups benefitting from our training.

However, decreasing income and the looming changes likely post Local Government Reorganisation (LGR) in April 2019, meant that we had to take steps to reduce our costs including reducing the size of our senior management team, moving to a lower cost premises in Dorchester, and adopting an internet hosted telephone service to reduce our telecommunications costs.

During the year we were pleased to launch our Building Better Opportunities, Supporting Enterprise programme, and successfully brought together a talented team of enterprise coaches 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 250 voluntary and community organisations during the year, through the VCSE support services contract funded 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;
- 301 groups attending training;
- 377 groups receiving e bulletins;
- 817 groups receiving e alerts;
- 29 statutory sector consultations facilitated;
- **£1,178,663.43** 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)

Geographic Location of Customers (Organisations)	Organisations	% out of total no. of groups (250)
Christchurch	30	12
East Dorset	37	15
All of Dorset	57	23
North Dorset	35	14
Purbeck	8	3
West Dorset	20	8
Weymouth & Portland	5	2
Other	58	23
TOTAL	250	

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

Sector	Organisations	% out of total no. of sectors (479)
Animals	1	0
Children and Young People	77	16
Disadvantaged people including people in poverty	40	8
Ex-Service Personnel	2	0
Families & Relationship Issues	31	7

Offenders / Ex Offenders	2	0
Older People	69	14
Other	4	1
People from Black, Minority or Ethnic communities	15	3
People from a geographic area	43	9
People in need of Addiction Support	4	1
People in need of Housing Support	5	1
People with Learning Difficulties / Disabilities	27	6
People with Sensory difficulties	12	3
People with Specific Health conditions & needs	13	3
People with mental health issues	34	7
People with physical disabilities	31	7
Rural isolated communities	45	9
No data	21	4
The LGBT Community	3	1
TOTAL	479	

Digital communication

At the end of year, the number of contacts receiving e-bulletins and e-alerts was 1194, and 3666 organisations with email addresses were registered on our database.

Our Training Service

Our “bite-sized” two hour training sessions have continued to be popular with groups. This year we delivered 22 training sessions, the content of which was based on surveys of VCSE group needs and interests at our networking events. We delivered courses varying from social media, safeguarding, to sustainable funding.

Supported by East Dorset District Council and West Dorset District Council, developed in partnership with Lacey’s Solicitors, DCA delivered four training sessions to inform 116 groups across the county about the requirements of the new General Data Protection Regulations (GDPR) in support of both paper-based and electronic/web-based data protection.

Bespoke Training Offer – Case Study

Noc’s Box is a club that supports children and young adults with mental health and/or learning disabilities to develop coping mechanisms and social skills through the medium of board games and discussions.



Set up as a sole trader, with a shop in Blandford selling board and card games, Noc's Box got in touch with DCA to look at how they could develop a business plan and set themselves up as a registered charity. Working with Noc's Box, we decided the best way was to deliver a series of bespoke training courses for their Trustees to bring everyone up to speed on what the club needed, to move forward. Training Sessions delivered included:

- Developing a Robust Business;
- Evidence of Need for Funding;
- Choosing the right Legal Structure;
- Trustees Roles, Responsibilities and Recruitment;
- Sustainable Funding;
- Successful Bid Writing.

Through this training, trustees received a grounding in charity governance and business development, enabling them to identify the need to split the activities of the club and the shop in becoming a registered charity. This enabled Noc's Box to retain its charitable aims whilst maintaining the shop's income stream, resulting in this innovative project being retained for the local community for its 100 volunteers and service users, who would have otherwise lost access to this valuable community resource.

Our Consultancy Service

Following on from last year's successful Village SOS project, DCA has continued to support VCSE groups through our consultancy services, taking an action planning approach to supporting groups to develop the skills and resources needed to steer their projects towards sustainability.

Case Study – Bourton Village Hall

As part of Bourton's Neighbourhood Plan, a small housing development was set to provide a site for a new Village Hall. Evidence of need was required to establish whether it was in the best interests of the community to replace or refurbish the current hall or to build a new hall on the gifted land. Through our consultancy services, DCA staff supported Bourton Village Hall with:

- The development of a robust business plan and to register as a CIO;
- Training of Trustees on 'business planning' and Evidence of need for funding';
- Facilitation of a Stakeholder Engagement event;

- Writing an application to Awards for All to fund a consultation project for the community to identify and evidence needs in the community to help develop the hall into a central community hub.

The group was successful in their application and as a result were able to fund DCA to hold a Stakeholder meeting with partners and residents to identify needs in the community and develop partnerships.



Outcomes achieved through engagement with DCA

1. Successful "Awards for All" application which raised over £9,000 to pay for further support from DCA and ensure the group could budget for a successful community consultation;
2. Successful engagement of partner organisations and residents from the Stakeholder meeting, and development of skills and resources to collect evidence of need and undertake an in depth consultation with the community;
3. New volunteers recruited to support the consultation project;
4. Creation of a Business Plan which led to successful registration as a CIO.

Funding Events - Dorset Funding Fair, 19th October 2017.



This year's Funding Fair was held in Wimborne at the Community Learning & Resource Centre. With 27 funders and support organisations attending it was the largest yet. 63 people attended, representing 49 community organisations.

The Funding Fair provided a mix of workshops from funders including Big Lottery, LEADER and Children in Need, looking at capacity building and managing core costs to support groups future sustainability, and introduced the idea of crowd funding "Soup" events, which was then implemented by the Christchurch Community Partnership and was such a great success they plan to host a "Soup" event annually.

Two groups were awarded over £20,000 as a direct result of the support they received, and one funder gave out 15 funding applications and secured funding for 2 groups of over £10,000 on the day.

"A very useful event, I travelled from E Devon so it needed to be good - it was"

"The funding fair in October has already generated applications and I now have enough going into the new year for the regions I had concentrated on and a few more as well. So brilliant and thank you for your support of Bags of Help"

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

DCA has been involved in several key strategic partner initiatives this year, including:

Making It Real

DCA supported the development of the "Making It Real" (MIR) process in Dorset, a Dorset County Council initiative to engage service users at a strategic level to support the Council to provide adult services in a more collaborative way. DCA developed three Easy Read MIR documents, and to help people understand services provided by their council. Information from the meetings was disseminated by DCA to our membership and interested groups. DCA is an ongoing member of the MIR steering group.

Dorset Care Framework

DCA supported the Council with their new Dorset Care Framework, through meetings, presentations to interested groups and news updates to our members. This work will have a Community Innovation strand due to be launched in 2018-19. The aim of the Community Innovation strand is to improve dialogue between the Council and the VCSE sector and to allow the Council to promote opportunities for small VCSE health & social care providers to work in partnership with the Council.

Living & Learning (L&L)

Dorset County Council's Strategic Estates Team has been working with partners and communities to develop locality based community service offers, based on local needs and priorities. This is to deliver services in more effective and affordable ways, with public and community assets working better for everyone. At the launch of the Community Offer for Living and Learning, six pilot areas were identified: Blandford, Weymouth, Portland, Beaminster, Ferndown and Wareham. DCA supported this initiative by:

- Attending all Blandford L&L sessions and participating in all relevant working groups. We also, attended a range of L&L pilot sessions equally across the county;
- Producing a spreadsheet of all potential VCSE providers for Blandford Pilot;

- Designing and developing 3 training sessions to deliver to Blandford L&L stakeholders. We also consulted members & wider VCSE sector groups on L&L as part of stakeholder initial engagement.

DCA: Bringing Local Organisations & Partnerships Together

DCA Conference – Working Together for a Stronger Civil Society.

DCA's conference on 29th September 2017 was attended by 73 people and attracted speakers from Dorset County Council, Dorset NHS, Leader of Dorset County Council, and the Chief Executive of national think tank New Philanthropy Capital as Guest Speaker. The aim of the conference was to start a conversation about the importance of a civil society, what it has to offer and how to strengthen it.



A workshop was carried out with all 73 delegates to collate their views on what other sectors can do to support the VCSE sector and what the VCSE sector has to offer other sectors. A summary of this work was shared with attendees as part of a feedback session. A question & answer panel of the speakers, representatives from the Institute of Directors, a Local Housing Association, and Simon Hoare MP (North Dorset) answered questions from the floor. Delegates were asked to make an Action Statement based on learning from the conference. The information collected from the workshop and evaluation helped inform a government consultation on Civil Society.

“Thank you DCA. An important conversation – I hope it results in real action and change. The hard work starts now”

DCA: Protecting Rural Services



As part of the Defra funded ACRE (Action with Communities in Rural England) network, DCA is one of 38 charitable local development agencies that make up the ACRE Network. DCA continues to collect evidence on issues our rural communities face and advocate on their behalf. We use this evidence to influence national policy on rural issues, from housing, health and transport to broadband, services and fuel poverty. This year we gave evidence to Defra on the impact of bank branch closures (over 10 in the last year) and ATM closures on our rural towns, e.g. Sturminster Newton (North Dorset) on our town's businesses, markets, and sole traders that rely on cash transactions.



Saving Energy and Keeping Warm

DCA provides advice to individuals, communities and voluntary groups to keep their homes warm more affordably in rural areas. This year we continued delivery of these services as coordinator for the Dorset Fuel Poverty Partnership, working with local partners, Citizens' Advice in Dorset (CAID), Wyvern Savings & Loans, Age UK Dorset, Dorset Community Foundation, and Dorset AONB, to help vulnerable people get the right information and understand their options to:

- Save money on energy bills by switching energy supplier, tariff or payment method, through our free advice and information sessions;
- For community organisations, empower vulnerable beneficiaries by equipping them with the tools they need to take action, through our effective and practical outreach programme;
- Offer free training to frontline community workers, aiming to give workers the tools to support clients on a day to day basis with good quality information about energy supplier issues, energy efficiency and budgeting options;
- Offering a BGET Hardship Fund for young families who are unable to get help from elsewhere. In 2017-18 the Hardship Grant helped 31 people, with the majority of grants awarded to pay for fuel bills and debt relief orders for those in urgent need.

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



At a time of funding and service cuts to our local communities, DCA views it as increasingly important that we support the localisation of our rural town economies, and to support the development of enterprising communities. Funded by the national Community Economic Development programme we delivered a community led “economic evaluation” to put a value on the potential benefits of increased localisation of Bridport’s economy. With the support of the REconomy Project, Totnes, we completed work with local stakeholders to prepare a grass roots led economic plan covering:

- 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.

Led by Bridport-based researchers and groups of 'Champions' in our three themes, we used a variety of tools, workshops, and surveys for engaging various sectors of the community, to complete action plans that, with the support of Bridport Town Council and local stakeholders, is now part of the Community Planning framework for Bridport. A wide range of projects are being supported including, The Kitchen Collective, a co-operative putting locally sourced and healthy food on the takeaway menu, ongoing work with a co-housing and self-build group on using local materials, and DCA's wider work in developing a market for statutory sector health & social care commissioning for smaller VCSE organisations.

DCA: Supporting Social Enterprises

Building Better Opportunities

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.



The Building Better Opportunities 'Inspire Dorset' project secured £579,500 of funding from the Big Lottery Fund and the European Social Fund as part of the 2014-2020 European Structural and Investment Funds Growth Programme in England. We have brought together a partnership that has the capacity to support unemployed people across Dorset, using community enterprise to address the barriers many people face to get into training or work.

The programme will work creatively with groups and individuals from varied backgrounds to support them on a life changing journey towards employment by delivering enterprise design, test and learn coaching and training. Team Challenges within a community setting are encouraging participant's creative thinking, include assessment of a community need, designing an enterprise around that need, and launching a 'test' enterprise.

We will engage and support 300 of the most hard to reach unemployed or economically inactive people through the programme. Our flexible approach will aim to provide an alternative to mainstream training or employment support which many of our participants will never have experienced.

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 349 members (342 in 2017), 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 2017/18. 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 new registered office at the Little Keep 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 2018 was 7 full-time and 10 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:

	2018	2017
Total reserves	249,284	341,245
Less: Restricted funds	(33,807)	(78,651)
Free reserves	<u>215,477</u>	<u>262,594</u>

This represents 6 months recurring general funds expenditure (2017: 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 funder's 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 £497,274 (2017 - £773,536) of which £350,329 related to restricted project income (2017 - £573,539). Total expenditure for the year was £589,235 (2017 - £746,244) of which £395,173 related to restricted project expenditure (2017 - £572,385).

The net movement in unrestricted funds for the year was a deficit of £47,117 (2017 – surplus £26,244) resulting from a £35,181 deficit on general reserves and a deficit of £11,936 on the designated fund, Community Learning and Resource Centre. The carried forward balance on unrestricted funds of £215,477 (2017 - £262,594) forms the general reserves of the charity.

The net movement in restricted funds was a deficit of £44,844 (2017 – surplus of £1,048).

The investments produced a return of 0.6% on the cash placed on deposit. This is seen as an acceptable return in the current economic climate.

Plans for Future Periods

During 2018/19, we expect to see ongoing changes in the public sector continuing to affect Dorset Community Action, culminating in the loss of district councils, and the formation of the Dorset Council unitary authority. 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:

DCA: Supporting frontline organisations to deliver better services through its business support service to develop their skills and expertise, from fund raising, governance, business planning, to measuring outcomes and impact. With Local Government Reorganisation (LGR) we also anticipate a developing need to support town and parish councils.

DCA: Supporting community enterprise through our Building Better Opportunities programme, Dorset Community Action is supporting people back into work through self-employment and the setting up and piloting of new community enterprises to raise aspirations and create new opportunities for long term unemployed people.

DCA: Supporting community led economic development & more sustainable communities with the upcoming reorganisation of local government in April 2019, DCA is supporting the development of enterprising communities in our rural towns, working through partners including development trusts, town & parish councils.

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



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A Clevett (Chair)
3rd December 2018

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Opinion

We have audited the financial statements of Dorset Community Action for the year ended 31 March 2018 which comprise the Statement of Financial Position, Balance sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the charitable company's state of affairs as at 31 March 2018 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.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Annual Report which includes the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report which includes the Directors' 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 charitable 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies exemption in preparing the Trustees' Annual Report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement set out on page 17 the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under the Companies Act 2006 and report in accordance with that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report

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



Nicholas Fernyhough (Senior Statutory Auditor)
For and on behalf of
Saffery Champness LLP
Chartered Accountants
Statutory Auditors

Midland House
2 Poole Road
Bournemouth
BH2 5QY

5 December 2018

Saffery Champness LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Company Registration No. 3320011

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31st MARCH 2018

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Incoming resources					
Incoming resources from generated funds:					
Activities for generating funds:					
Consultancy and training		20,116	-	20,116	47,295
Investment income	4	1,301	-	1,301	1,672
Incoming resources from charitable activities, sustaining and enhancing community life in Bournemouth, Dorset & Poole	3	125,528	350,329	475,857	724,569
Total incoming resources		<u>146,945</u>	<u>350,329</u>	<u>497,274</u>	<u>773,536</u>
Resources expended					
Charitable activities	5	194,062	395,173	589,235	746,244
Total resources expended		<u>194,062</u>	<u>395,173</u>	<u>589,235</u>	<u>746,244</u>
Net (expenditure) / income for the year before transfers		(47,117)	(44,844)	(91,961)	27,292
Transfers	7	-	-	-	-
Net movement in funds for the year	16	(47,117)	(44,844)	(91,961)	27,292
Fund balances brought forward		262,594	78,651	341,245	313,953
Fund balances carried forward	17 & 18	<u>215,477</u>	<u>33,807</u>	<u>249,284</u>	<u>341,245</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 deficit of (£47,117) and decreases the balance in general reserves to £215,477.

Restricted funds net movement in funds for the year is (£44,844), however several of the restricted funds used their funding streams in the b/fwd. balance of £78,651 as income for this year, leaving a carried forward figure of £33,807 for use by the respective restricted funds in 2018/2019 (see note 16).

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

BALANCE SHEET AS AT 31st MARCH 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible fixed assets	13	-	-
Current assets			
Debtors	14	27,998	53,926
Short term deposits		209,650	231,906
Cash at bank and in hand		41,442	90,687
		<u>279,090</u>	<u>376,519</u>
Creditors: Amounts falling due within one year	15	(29,806)	(35,274)
Net current assets		<u>249,284</u>	<u>341,245</u>
Net assets		<u>249,284</u>	<u>341,245</u>
Funds			
Unrestricted funds:			
General reserves		225,728	260,909
Designated funds		(10,251)	1,685
	17	<u>215,477</u>	<u>262,594</u>
Restricted funds	18	<u>33,807</u>	<u>78,651</u>
Total funds		<u>249,284</u>	<u>341,245</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 3rd December 2018 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 2018**

	Notes	2018 £	£	2017 £	£
Net cash used in operating activities	22	(72,802)		(78,762)	
Cash flows from investing activities:					
Dividends, interest and rents from investments		1,301		1,672	
Net cash provided by investing activities		<u>1,301</u>		<u>1,672</u>	
Change in cash and cash equivalents in the reporting period		<u>(71,501)</u>		<u>(77,090)</u>	
Cash and cash equivalents at the beginning of the reporting period		322,593		399,683	
Cash and cash equivalents at the end of the reporting period	23	<u>251,092</u>		<u>322,593</u>	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018

1 Legal status of the charity

The charity is a company 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 349 members at the balance sheet date (2017: 342 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 £.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018 (continued)

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%

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018 (continued)

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.

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 2017/18 was £28,739 (2017: £15,305) with an employer's contribution rate of 23.6% of pensionable pay and an employee's contribution of 5.8% and 6.5% of pensionable pay. The 2017/18 figure included a payment of capitalisation of costs for pension due to a redundancy. An actuarial valuation of the scheme as at 31st March 2017 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 23.6% of payroll put in place for 3 years. Another actuarial valuation of the scheme is due in April 2020.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018 (continued)

(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. DCA's staging date for auto-enrolment was 1st May 2017 and those qualifying staff not already in the Friends Provident scheme were auto-enrolled into the scheme with DCA paying a 6% employers contribution and staff paying a 1% employees contribution. The contributions made for the accounting period are treated as an expense and were £13,584 (2017: £7,735).

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

	2018 £	2017 £
ACRE (Action with Communities in Rural England)	48,660	77,894
Big Lottery Fund	3,380	110,259
Big Lottery Fund and European Social Fund	147,299	
District Councils (general)	31,104	28,775
Dorset County Council	91,450	102,724
NHS Dorset Clinical Commissioning Group	34,340	34,340
British Gas Energy Trust	3,350	149,303
Optum Health Solutions (UK) Ltd	-	57,396
Other funding received	116,274	90,710
	<u>475,857</u>	<u>651,401</u>
Deferred income brought forward		73,168
Deferred income carried forward	-	-
	<u>475,857</u>	<u>724,569</u>

4 Investment income

	2018 £	2017 £
UK bank and building society interest	1,301	1,672
	<u>1,301</u>	<u>1,672</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2018 (continued)**

5 Charitable Activities

Sustaining and enhancing community life in Bournemouth, Dorset and Poole

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Employee costs:				
Salaries	99,476	290,188	389,664	377,925
Payroll charges	1,515	1,282	2,797	2,769
Recruitment	-	3,292	3,292	1,009
Training and conference costs	36	2,005	2,041	1,114
Premises related expenses:				
Rent and rates	13,384	10,150	23,534	27,417
Repairs and maintenance	1,988	-	1,988	1,398
Utilities	11,858	1,056	12,914	14,842
Transport related expenses:				
Travel and subsistence	3,510	4,959	8,469	9,739
Supplies and services:				
Postage, stationery, printing and Photocopying	3,122	4,632	7,754	11,240
Grants	-	35,893	35,893	166,685
Subscriptions and publications	2,364	3,193	5,557	6,038
Telephone	4,668	5,857	10,525	8,605
Training delivery/Community Lunch	2,131	2,117	4,248	7,154
Office expenses	3,601	1,694	5,295	5,383
Office equipment and maintenance	9,720	9,119	18,839	5,384
Insurance	4,046	2,981	7,027	8,684
Professional and consultancy fees	(4,688)	3,337	(1,351)	7,906
Project expenditure	475	8,903	9,378	26,362
VAT	1,381	4,515	5,896	14,197
Governance costs (see note 6)	35,475	-	35,475	42,393
	194,062	395,173	589,235	746,244

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2018 (continued)**

6 Governance Costs

	2018	2017
	£	£
Employee costs	25,374	29,334
Premises related expenses	1,015	1,264
Supplies and services	1,582	1,809
Meetings and committee expenses	1,968	1,491
Trustees' indemnity insurance	501	495
Accountancy fees	1,035	4,000
Audit fees	4,000	4,000
	<u>35,475</u>	<u>42,393</u>

7 Transfers

During the year nil (2017: £106) 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 2018 (continued)**

8 Grants payable in furtherance of the charity's objects

	2018	2017
	£	£
Grants to Institutions:		
Building Better Opportunities Supporting Enterprise In Dorset	27,622	-
Building Better Opportunities Supporting Enterprise Dorset (Development)	-	5,698
Village SOS Grants	-	3,841
Communities Living Sustainably Programme	-	37,033
Dorset Best Village	-	100
British Gas Energy Trust (Healthy Homes)	8,271	120,013
	<u>35,893</u>	<u>166,685</u>
Grants in excess of £1,000:		
Building Better Opportunities – Grants to Partners	19,028	-
Building Better Opportunities Development – Grants to Partners	-	5,698
Communities Living Sustainably Programme – Grants to Partners	-	97,502
British Gas Energy Trust – Grants to Partners	26,314	93,550
Other grants under £1,000	-	3,941
	<u>45,342</u>	<u>200,691</u>
Grants payable brought forward	(18,043)	(52,049)
Grants payable carried forward	8,594	18,043
	<u>35,893</u>	<u>166,685</u>

As the accountable body for Building Better Opportunities Supporting Enterprise in Dorset grant, DCA administered the grant funding to other partners which was received from The Big Lottery Fund and European Social Fund.

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 2018 (continued)

9 Trustees' remuneration and expenses

No trustee has received any remuneration or benefit (2017: none). Three of the trustees received a total of £487 during the year in respect of reimbursed conference and travel expenses (2017: £491 to three trustees). The charity has paid premiums of £501 (2017: £495) 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: -

	2018	2017
Operational	11	12
Management and administering the charity	2	2
	13	14

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

	2018 £	2017 £
Wages and salaries	345,264	356,579
National Insurance	27,451	28,102
Pension scheme – defined benefit	28,739	15,305
Pension scheme – defined contribution	13,584	7,273
	415,038	407,259

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 £163,270 (2017: £162,885). Redundancy payments of £27,693 were made (2017: nil) due to restructuring.

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 2018 (continued)**

12 Net income

Net income is stated after charging

	2018	2017
	£	£
Staff pension contributions	42,323	25,465
Operating lease payments	22,250	24,473
Auditors' remuneration	5,025	5,025
	<u> </u>	<u> </u>

13 Tangible fixed assets

	Fixtures, Fittings and equipment £
Cost	
As at 31 st March 2017 and 31 st March 2018	<u>29,370</u>
Depreciation	
As at 31 st March 2017 and 31 st March 2018	<u>29,370</u>
Net book value	
As at 31 st March 2017 and 31 st March 2018	<u>-</u>

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

14 Debtors

	2018	2017
	£	£
Funding receivable	17,610	40,091
Prepayments and accrued income	10,388	13,835
	<u>27,998</u>	<u>53,926</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2018 (continued)**

15 Creditors: Amounts falling due within one year

	2018 £	2017 £
Other creditors	24,780	26,774
Accruals	5,026	8,500
	<u>29,806</u>	<u>35,274</u>

16 Net movement in funds for the year

Restricted funds

The net movement in funds for the year on restricted funds was a deficit of £44,844. The reason for this was in the 2016/17 financial year a £78,651 balance was carried over for the restricted funds, with the agreement of the funders this balance was then rolled forward for use as income in the 2017/18 financial year (see note 18).

The carried forward balance on restricted funds of £33,807 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 deficit of £35,181 on general reserves and a deficit of £11,936 on the Community Learning and Resource Centre. The deficit on general reserves was mainly due a reduction in funding and subsequent redundancy payment. To mitigate the downward trend in funding overheads have been reduced by moving the Dorchester office to smaller premises and a member of staff made redundant. Trustees had been kept fully apprised throughout the year of the estimated deficit budget and agreed the deficit figure could be taken from reserves. Trustees also supported the SMT through the redundancy process and with the reduction of overhead costs. The carried forward balance on unrestricted funds of £215,477 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	1,685	92,611	(104,547)	-	(10,251)
General funds	260,909	54,334	(89,515)		225,728
	<u>262,594</u>	<u>146,945</u>	<u>(197,537)</u>		<u>215,477</u>

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 2018 (continued)**

18 Restricted funds

	Balance B/fwd £	Incoming resources £	Resources expended £	Transfers £	Balance C/fwd £
Action with Communities in Rural England	9	48,480	(48,489)	-	-
Building Better Opportunities – Supporting Enterprise in Dorset (BLF)	-	147,229	(130,875)	-	16,354
Building Better Opportunities – Supporting Enterprise Dorset Development (BLF)	9,293	-	(9,293)	-	-
Dorset Best Village Competition	2,238	2,950	(3,949)	-	1,239
Big Energy Saving Network	-	10,000	(10,000)	-	-
British Gas Energy Trust	53,409	3,350	(40,852)	-	15,907
Communities Living Sustainably (BLF)	10,841	3,130	(13,971)	-	-
Dorset County Council	1,368	90,050	(91,418)	-	-
NHS Dorset Clinical Commissioning Group	436	34,340	(34,776)	-	-
Energy Best Deal	-	4,200	(4,200)	-	-
Sherborne Local Area Partnership	-	6,600	(6,600)	-	-
Village shops	1,057	-	(750)	-	307
	<u>78,651</u>	<u>350,329</u>	<u>(395,173)</u>	<u>-</u>	<u>33,807</u>

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

The Building Better Opportunities Supporting Enterprise in Dorset grant is fully funded by the Big Lottery Fund and European Social Fund

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018 (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 in Dorset

DCA was successful in securing the Stage 2 bid of the Building Better Opportunities – Supporting Enterprise in Dorset funded by The Big Lottery Fund and European Social Fund. The grant was given to enable target participants to overcome barriers to employment through accessible, community based support as a stepping stone into enterprise, leading to increased confidence and long-term life changes. (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. (C)

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 elements 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)

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. (C)

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 2018 (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)

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/ (liabilities)	225,728	(10,251)	33,807	249,284
Net assets	<u>225,728</u>	<u>(10,251)</u>	<u>33,807</u>	<u>249,284</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH 2018 (continued)

20 Commitments under operating leases

At 31st March 2018, the charity had aggregate total commitments under non-negotiable-operating leases as set out below: -

	Land and Buildings 2018 £	Plant and Machinery 2018 £	Land and Buildings 2017 £	Plant and Machinery 2017 £
Non-cancellable operating leases which expire				
Within one year	16,300	-	19,204	-
In two to five years	74,175	-	60,000	-
In over five years	-	-	100,973	-

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 2018.

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

	2018 £	2017 £
Net (expenditure)/ income for the reporting period (as per the statement of financial activities)	(91,961)	27,292
Dividends, interest and rents from investments	(1,301)	(1,672)
Decrease in debtors	25,929	11,675
Decrease in creditors	(5,467)	(116,057)
Net cash outflow from operating activity	(72,802)	(78,762)

23 Analysis of cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	41,442	90,687
Short term deposits	209,650	231,906
	251,092	322,593

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st MARCH 2018 (continued)**

24 Comparative information

	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£
Incoming resources			
Incoming resources from generated funds:			
Activities for generating funds:			
Consultancy and training	47,295	-	47,295
Investment income	1,672	-	1,672
Incoming resources from charitable activities, sustaining and enhancing community life in Bournemouth, Dorset & Poole	151,030	573,539	724,569
Total incoming resources	<u>199,997</u>	<u>573,539</u>	<u>724,536</u>
Resources expended			
Charitable activities	173,859	572,385	746,244
Total resources expended	<u>173,859</u>	<u>572,385</u>	<u>746,244</u>
Net income for the year before transfers	26,138	1,754	27,292
Transfers	106	(106)	-
Net movement in funds for the year	26,244	1,048	27,292
Fund balances brought forward	236,350	77,603	313,953
Fund balances carried forward	<u>262,594</u>	<u>78,651</u>	<u>341,245</u>