

REGISTERED COMPANY NUMBER: 05768612 (England and Wales)
REGISTERED CHARITY NUMBER: 1122113

DORSET COMMUNITY FOUNDATION
REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 MARCH 2015

Schofields
Registered Auditors
6th Floor Dean Park House
Dean Park Crescent
Bournemouth
Dorset
BH1 1HP

DORSET COMMUNITY FOUNDATION

CONTENTS OF THE FINANCIAL STATEMENTS
For The Year Ended 31 March 2015

	Page
Report of the Trustees	1 to 6
Report of the Independent Auditors	7
Statement of Financial Activities	8
Balance Sheet	9
Notes to the Financial Statements	10 to 18

DORSET COMMUNITY FOUNDATION

REPORT OF THE TRUSTEES

For The Year Ended 31 March 2015

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

INCORPORATION

The charitable company was incorporated on 4 April 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05768612 (England and Wales)

Registered Charity number

1122113

Registered office

Abchurch Chambers
24 St Peter's Road
Bournemouth
Dorset
BH1 2LN

Trustees

Mr C Beale	- resigned December 2014 (end of term)
Mrs G Bates	- resigned April 2015
Mr G Page CBE DL	
Mr A Rowlands (Chairman)	
Mr C Morle	
Mr H Digby	
Mr J Hart	
Mr P J Eales	
Mr R G F Heath	- resigned June 2015
Mrs J Gould	- appointed June 2014
Mr G Trobridge	- appointed June 2014
Mr J Mills	- appointed July 2014
Mr F Guinn	- appointed December 2014
Mr J Greenwood	- appointed June 2015
Mr N Fernyhough	- appointed March 2015

Company Secretary

Mr G Trobridge – appointed December 2014

Senior Statutory Auditor

Mr P J Schofield FCA

Auditors

Schofields
Registered Auditors
6th Floor Dean Park House
Dean Park Crescent
Bournemouth
Dorset
BH1 1HP

Bankers

CAF Bank Ltd
25 Kings Hill Avenue
West Malling
Kent
ME19 4JQ

DORSET COMMUNITY FOUNDATION (REGISTERED NUMBER: 05768612)

REPORT OF THE TRUSTEES
For The Year Ended 31 March 2015

REFERENCE AND ADMINISTRATIVE DETAILS

Patron:

Capt M Fulford Dobson RN CVO, OBE, KStJ, JP, DL
The Lord Lieutenant, Capt Angus Campbell

Investment Managers:

CCLA Investment Management Ltd
Blackrock Investment Management (UK) Limited

Chief Executive Officer:

Mrs T Melling

Date of Deed:

4th April 2006

STRUCTURE, GOVERNANCE AND MANAGEMENT

Vision and Mission

Our vision is to create united and thriving communities by fostering a culture of giving and philanthropy in Dorset.

Our Mission is inspiring positive social change and acting as a community catalyst by providing strategic grant making services which connect people who want to give to those most in need. As part of our mission we aim to build an endowment large enough to provide a permanent source of funding to address the needs and issues of future generations in Dorset. The Vision and Mission stated is new and was updated following the year end.

The Foundation is a Quality Accredited member of UK Community Foundations, the umbrella body for the network of Community Foundations.

Recruitment, appointment and Induction of Trustees

The Trustees of Dorset Community Foundation are the members of the Board of Directors. Trustees are appointed to the Board for three year terms. Before election to the board, potential trustees are provided with an induction into the work of the Foundation along with Charity Commission guidance on the responsibilities of being a trustee.

The Foundation operates an open recruitment process and advertises for Trustees on its website and through voluntary sector networks.

Supporting Committee Structure

The Board did not make an appointment to Chief Executive during the period, as it was not economically viable to do so. Therefore to assist the staff and the Board, the Foundation continues to operate two sub-committees: Finance and General Purposes and Business Development. The trustees give their range of skills and experience to make recommendations to the Board on the different facets of the Foundation's operation through these groups concerning such areas as donor development, fund development and marketing. During the year, arising from the lack of a Chief Executive, the Board approved a Task Group, comprising the then Development Director, the Chair of the Board and two other nominated trustees, which met on a monthly basis to review the work of the office and support the Development Director. Following the year end, Tracy Melling, the Development Director, was appointed as Chief Executive Officer in June 2015.

Staff and Volunteers

During the year, the Foundation had three members of full-time staff, and one part-time, led by a Development Director. In the continued absence of a Chief Executive the Development Director took up the majority of the management tasks, but worked closely with the Chair of the Trustees and two other nominated trustees who provided support and assistance with executive decisions. The work of the Foundation has been supported by a small number of volunteers who assist with fundraising, marketing and administration activities.

Statement of Public Benefit

The Trustees have given due regard to public benefit when planning the charity's activities, in accordance with the Charity Commission's guidance on Public Benefit (September 2013). The Foundation exists to benefit disadvantaged communities by making grants to support relevant, usually charitable or voluntary organisations, which make a difference to their local communities. We ensure these organisations and their beneficiaries are appropriate and their aims meet our objectives. The groups we support deliver benefit to their communities in many different ways, they make no payment for our services and no relevant groups are excluded from our application procedures. We also exist to benefit individuals, via a small number of funds. Our focus is on the areas of Bournemouth, Dorset and Poole; there are other members of the UK Community Foundation network providing similar services throughout the UK. These benefits are directly related to the aims of the charity and are fully compliant with Principles 1 and 2 of the Charity Commission Principles on Public Benefit.

Grant Making

The Foundation has a key role in grant management and distribution to Dorset voluntary or community groups, which are established for charitable purposes, subject to the exclusions in the Foundation's constitution, and their application meets the eligibility criteria of

REPORT OF THE TRUSTEES
For The Year Ended 31 March 2015

STRUCTURE, GOVERNANCE AND MANAGEMENT

Grant Making (continued)

the fund being applied to. The Foundation provides support and outreach to enable organisations to receive funding and understand the terms and conditions of their grant award, and the monitoring and evaluation processes that are required.

All grantees receive an 'End of Grant' monitoring form, which may be followed up by a visit from a member of the staff team or Trustees who will evaluate the progress and effectiveness of the grant. The Foundation will ask for monies to be returned if, for any reason, the group is unable to use the grant for its original, defined purpose - unless alternative conditions or a grant variation has been agreed prior to expenditure. During the year the Foundation also produced a valuable piece of work called "Hidden Dorset" which for the first time provided a detailed analysis of the needs in Dorset and assessing the impact of our grant making in the county.

Risk Management

The Trustees regularly review the major risks to which the Foundation is exposed. Where appropriate systems or procedures have been implemented to mitigate the risks the Foundation faces. All policies and procedures come under the scrutiny of the QA assessment process, which is a nationally administered inspection undertaken under the auspices of UK Community Foundations.

OBJECTIVES AND ACTIVITIES

Objectives and Activities

The objects of the Foundation are:

1. The development of income from endowments, legacies, donations and grants for the benefit of the communities of the Borough of Bournemouth, County of Dorset and Borough of Poole.
2. The promotion of the Foundation's services to the widest possible audience in Dorset.
3. The distribution of grants to local Dorset causes, generated by flowthrough funds, either from endowment or other grant income from central or local government, or other donor groups.
4. Advising potential donors on their funds by providing current research information to inform their giving.
5. Working with local stakeholders, community groups and our fundholders to develop community engagement.

In furtherance of these objects the Foundation trustees have developed a strategic plan which provides a framework for how the Foundation will operate over the three-year period 2014-2017. The plan broadly breaks down into seven areas:

1. Promoting local philanthropy to HNWIs, companies and professional advisors.
2. Building income to ensure the future sustainability of the Foundation.
3. Utilising the three Dorset Funds – for Arts, Education and Neighbourhood – as a mechanism for attracting donors and other income
4. Grant making and supporting charities and voluntary groups, including impact evaluation
5. Identifying trusts which are dormant or poorly performing to come under the Foundation's management.
6. Promoting the Foundation and raising its profile across the region through marketing and community engagement.
7. Providing data for potential donors on the priority social and economic needs in Dorset to support their giving

ACHIEVEMENT AND PERFORMANCE

Over the year the Foundation has undertaken the following range activities:

1. Developing endowment and local philanthropy

Our key strategies during the year were to build our High Net Worth Individual (HNWI) networks. Through a variety of tactics, including events, and trustee and ambassador development, we have achieved significant progress in our networks. However this activity has not resulted in any further funds being transferred. We have acquired five new trustees during the year, all of whom bring important skills and experience. We are currently in discussion with one major potential donor.

2. Embedding the Dorset Fund

Last year the Foundation created its own Fund, which is split into three areas of Education, the Arts and Neighbourhood. The plan this year has been to build the build income and use the fund to attract donors. In this respect the plan has been unsuccessful. However it has been a useful vehicle for raising profile, for developing two educational initiatives, the Bursary scheme and the mentoring project. The funds are also a useful mechanism for allocating monies that we do receive eg trust transfers and other smaller donations through our grant making programme.

3. To continue the process of acquiring trust transfers

The Foundation has a part-time member of staff engaged to pursue this activity. This year the progress has been slow and some of the trusts that looked promising either have not materialised or have been blocked by their trustees. There have been several that have come across but mostly from the local authorities.

DORSET COMMUNITY FOUNDATION (REGISTERED NUMBER: 05768612)

REPORT OF THE TRUSTEES
For The Year Ended 31 March 2015

ACHIEVEMENT AND PERFORMANCE

4. Grant making and supporting charities and voluntary groups

During the year, the Foundation awarded grants totalling £321,825 (2014: £658,439) to 471 Individuals and 82 charities and voluntary groups within Dorset which supported circa 40,400 beneficiaries and helped support areas including community support and development, arts and culture, health and wellbeing, racial and cultural integration, sport and recreation, education and training and environment/recycling. This reflected a 51% decrease in the amount of grant to give away compared to the previous year.

5. To extend the reach and social impact of the Foundation's work across Dorset

The Foundation has expanded its database of voluntary sector contacts to over 2,000 individuals located across the county. These contacts receive the Foundation's newsletter, e-shots and grant alert information. The Foundation also continues to develop relationships with Local Authorities, the Public Sector and other Third Sector organisations across Dorset to help ensure we are able to inform people of our work. In this aspect of our work we are now much better known by stakeholders and potential donors, and we continue to identify ways of raising profile.

6. To identify alternative sources of income

Given that donor development is a still proving difficult, the Foundation has needed to identify other sources of income to support its core funding. This year we have been successful in securing a £100,000 grant from the Goldsmiths Foundation for a mentoring project.

ORGANISATIONAL DEVELOPMENT

The Foundation has undertaken a number of measures during the year to enhance its performance.

1. To develop long-term financial stability of the Foundation

The Foundation's finances have improved in 2014/15, although the primary factor in ensuring a stable operation – the size of the endowment has not improved. Whilst the Foundation's strategic plan sought to increase contributions from private sources, such as major donor and corporate giving, targets although modest were not achieved. However a decision was taken to reshape the financing of the core activities through existing funds and, together with the successful bids for grant funding, we have been able to increase the staff team. The key objective here is to provide space to the Development Director to get out of the office more and identify income opportunity. This has taken place at the end of the financial period in question and the Board have not had time to evaluate the new arrangements.

2. To recruit new Trustees to strengthen the Board and overall governance

The Foundation continually reviews governance procedures and performance. The challenging economic circumstances faced by the Foundation, and the requirement to restructure at the end of the year, have resulted in Trustees modifying governance procedures. The extensive committee structure previously employed by the Foundation was scaled back and the Foundation now employs a more streamlined governance process. Whilst some committees, such as the Finance and General Purposes Committee, have been retained, the full Board has taken back more detailed oversight of many areas. The Foundation has appointed three new trustees since the last AGM – Frank Guinn, Jonathan Greenwood and Nick Fernyhough. However it is apparent that the current group of trustees do not have the capacity to generate income. Given that this is the primary *raison d'être* for the Board of a modern Foundation, there is a clear imperative, understood by the Board that new trustees are needed who can make a difference in this single respect.

3. To achieve renewal of the QA accreditation from UK Community Foundations.

The Foundation was approved in June. The final report gave the Foundation very positive feedback on governance, our systems and organisation, our grant making and community engagement. The area which has been deemed a failure is donor development, and will be the subject of scrutiny when the next QA – 4 – comes around in 2016.

FINANCIAL REVIEW

During the year, the charity's income decreased to £550,583 (2014: £743,303) and expenditure, including grant awards, to £460,310 (2014: £790,800). The unrestricted funds position of the Foundation deteriorated, with a deficit of £11,020 as the Foundation was slower than anticipated in developing new income streams and earning management fees.

REPORT OF THE TRUSTEES
For The Year Ended 31 March 2015

FINANCIAL REVIEW

Reserves Policy

It is the policy of the Foundation to maintain unrestricted funds, which are the free reserves of the Foundation, at a level, which equates to approximately four months unrestricted expenditure. By 31 March 2015, unrestricted reserves had fallen to £38,476 (2014: £49,496) which is equivalent to just over four months unrestricted expenditure. The Board have contingency plans in place in the event that no new income is forthcoming during the first half of the new financial year.

Investment Policy

The Foundation's trustees regularly review investment policy, which provides a framework for managing the Foundation's endowment funds. The Trustees also regularly monitor and evaluate the performance of its appointed investment management companies. The majority of the investments are held with Blackrock, with a small proportion held with CCLA. During the year Black Rock visited the Foundation's F&GP committee and gave a presentation on the financial market and on the performance of our funds.

During the year, the Foundation had an investment policy which aimed to achieve a balance between capital growth and income. Under this policy investment assets should be managed to at least maintain the real capital value of the endowment funds over the long-term, whilst generating a sustainable level of real financial return to support the distribution of grants to local voluntary and community organisations. During the year, investments generated income of £40,292 and unrealised capital gains of £80,307.

Plans for the future

Dorset Community Foundation will place a greater emphasis on donor development, in order to increase its impact on the local community, to improve its services to donors and maintain a sustainable organisation with sufficient capacity to deliver its goals.

Priorities:-

- Inspire HNWI, Charitable Trusts, Legacies, Companies and Statutory Bodies to help those most in need across Dorset, (for the short-term and long-term) by growing the number of Funds and number of large donations managed by the Foundation
- Significantly increase the profile of the Foundation to potential donors by hosting events, maximise our online presence, promotion in local media and increasing our range of communication tools
- Give grants to charities and community groups which proactively address the needs of Dorset
- To ensure effective outcomes from our grant-making and communicate them to existing and potential donors, charities and community groups and to the wider community
- Maintain a sustainable organisation to help ensure the Foundation can make a long term difference for Dorset

Financial goals

- To achieve the target set in 2017 of building an Endowment of £5 million
- To increase our value of grant making year on year
- To maintain a reserve of at least six months running costs for each subsequent year

The Foundation's strategy for growth is based on the belief that if it can powerfully communicate the needs of Dorset and the impact on these needs of groups it has funded, then it will inspire more donors to give locally. We will continue to position ourselves as a leader in philanthropy, developing a proactive strategy to meet the needs of Dorset. As part of this strategy the Trustees published the "Hidden Dorset" report which highlighted some of the most pressing needs for local communities within Dorset. The Foundation has reviewed its grant strategy in light of this report, which will focus on helping to address these needs.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of Dorset Community Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the 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 charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE TRUSTEES
For The Year Ended 31 March 2015

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Small Charity Exemption

Advantage has been taken of the exemption for smaller charities conferred by the Statement of Recommended Practice: Accounting by Charities (SORP 2005) to prepare this report in accordance with the special provisions of the Companies Act 2006 relating to small companies.

AUDITORS

A resolution proposing Schofields Chartered Accountants be reappointed as Auditors of the company will be put to the members.

Approved by order of the board of trustees on 5.7.2015 and signed on its behalf by:


Mr A Rowlands (Chairman) - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
DORSET COMMUNITY FOUNDATION**

We have audited the financial statements of Dorset Community Foundation for the year ended 31 March 2015 set out on pages 8 to 18. The financial reporting framework that has been applied in their preparation is applicable law and The Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and the charitable 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 Statement of Trustees' Responsibilities set out on page five, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 charitable company'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 state of the charitable company's affairs as at 31 March 2015 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 applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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 take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Mr P J Schofield FCA (Senior Statutory Auditor)
for and on behalf of Schofields
Registered Auditors
6th Floor Dean Park House
Dean Park Crescent
Bournemouth
Dorset
BH1 1HP

Date: 17 December 2015

DORSET COMMUNITY FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
For The Year Ended 31 March 2015

	Notes	Unrestricted funds £	Restricted funds £	Endowment funds £	2015 Total funds £	2014 Total funds £
INCOMING RESOURCES						
Incoming resources from generated funds						
Voluntary income	2	20,020	28,080	2,435	50,535	28,229
Investment income	3	885	40,292	-	41,177	44,062
Incoming resources from charitable activities	4	48,275	322,096	88,500	458,871	671,012
Total incoming resources		69,180	390,468	90,935	550,583	743,303
RESOURCES EXPENDED						
Charitable activities	5	88,800	364,670	3,000	456,470	787,080
Governance costs	8	3,840	-	-	3,840	3,720
Total resources expended		92,640	364,670	3,000	460,310	790,800
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		(23,460)	25,798	87,935	90,273	(47,497)
Gross transfers between funds	16	12,440	(5,073)	(7,367)	-	-
Net incoming/(outgoing) resources before other recognised gains and losses		(11,020)	20,725	80,568	90,273	(47,497)
Realised gains/(losses) on fixed asset investments		-	300	-	300	743
Net income/(expenditure)		(11,020)	21,025	80,568	90,573	(46,754)
Unrealised gains/losses on investment assets		-	-	80,307	80,307	19,275
Net movement in funds		(11,020)	21,025	160,875	170,880	(27,479)
RECONCILIATION OF FUNDS						
Total funds brought forward		49,496	195,736	1,188,017	1,433,249	1,460,728
TOTAL FUNDS CARRIED FORWARD		38,476	216,761	1,348,892	1,604,129	1,433,249

The notes on pages 10 to 18 form part of these financial statements

DORSET COMMUNITY FOUNDATION (REGISTERED NUMBER: 05768612)**BALANCE SHEET****At 31 March 2015**

	Notes	Unrestricted funds £	Restricted Funds £	Endowment funds £	2015 Total funds £	2014 Total funds £
FIXED ASSETS						
Tangible assets	12	690	1,766	-	2,456	3,517
Investments	13	-	-	1,305,667	1,305,667	1,201,407
		690	1,766	1,305,667	1,308,123	1,204,924
CURRENT ASSETS						
Debtors: amounts falling due within one year	14	2,301	2,441	-	4,742	21,893
Cash at bank and in hand		45,603	224,654	43,225	313,482	365,024
		47,904	227,095	43,225	318,224	386,917
CREDITORS						
Amounts falling due within one year	15	(10,118)	(12,100)	-	(22,218)	(158,592)
NET CURRENT ASSETS		37,786	214,995	43,225	296,006	228,325
TOTAL ASSETS LESS CURRENT LIABILITIES		38,476	216,761	1,348,892	1,604,129	1,433,249
NET ASSETS		38,476	216,761	1,348,892	1,604,129	1,433,249
FUNDS	16					
Unrestricted funds					38,476	49,496
Restricted funds					216,761	195,736
Endowment funds					1,348,892	1,188,017
TOTAL FUNDS					1,604,129	1,433,249

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Board of Trustees on 17 December 2015 and were signed on its behalf by:


 Mr Ashley Rowlands (Chairman)-Trustee


 Mr Nick Fernyhough (Treasurer)

The notes on pages 10 to 18 form part of these financial statements

DORSET COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 March 2015

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

The Trustees have considered the projected unrestricted income and expenditure of the charity in the twelve month period from the date of signing of the accounts. Although levels of income cannot be projected with certainty, as they arise from projects undertaken during the year, the Trustees are confident that, although a deficit may be incurred it will be at a level that can be covered by reserves brought forward, as ongoing core costs can be reduced substantially if circumstances arise to make this necessary. This would of course impair the charity's ability to meet its objectives, but the Trustees realise that this is a route they might need to take. In the light of these considerations the Trustees believe it is appropriate to prepare the accounts on a going concern basis.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

The following specific policies are applied to particular categories of income:

Voluntary income

Voluntary income is received by way of grants, donations, legacies and gifts and is recognised in the Statement of Financial Activities when receivable.

Grant income

Incoming resources from grants, where related to performance and specific deliverables are accounted for as the charity earns the right to consideration by its performances. Where the grant has been received but the right to consideration has not been earned as at the financial year end, the income is deferred.

Investment income

Investment income is accounted for in the period in which the charity is entitled to receipt.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable activities

Costs of charitable activities include grants made and support costs as shown in note 5.

Governance costs

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees together with an apportionment of overhead and support costs.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office equipment - 25% on cost and 15% on reducing balance

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Restricted funds are subject to restrictions on their expenditure imposed by the donor or through the terms of a grant.

Endowment funds are expendable and are accumulated to provide a regular source of income in respect of both the charity's grant aid programme and grant making support costs.

Details of the nature and purpose of each fund is set out in note 16.

DORSET COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

For The Year Ended 31 March 2015

1. ACCOUNTING POLICIES -CONTINUED

Fixed asset investments

Investments are included at closing mid market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

2. VOLUNTARY INCOME

	2015	2014
	£	£
Donations and gifts	48,249	26,235
Gift aid	<u>2,286</u>	<u>1,994</u>
	<u>50,535</u>	<u>28,229</u>

3. INVESTMENT INCOME

	2015	2014
	£	£
Dividend income	40,292	43,244
Deposit account interest	<u>885</u>	<u>818</u>
	<u>41,177</u>	<u>44,062</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2015	2014
	Total activities	Total activities
	£	£
Management fees - Grants	-	6,760
Grants	410,596	599,710
Management fees - Contracted	45,275	49,542
Management fees - Funds	<u>3,000</u>	<u>15,000</u>
	<u>458,871</u>	<u>671,012</u>

Grants received, included in the above, are as follows:

	2015	2014
	£	£
Office for Civil Society	28,500	-
Community Foundation for Wiltshire and Swindon	60,000	-
Meggitt PLC	2,500	-
Big Lottery Fund	-	8,796
Community Foundation Network	-	33,338
Royal National Fishmongers Company	55,597	-
Quartet Community Foundation	1,068	4,500
Dorset County Council	148,340	505,224
Oakdale Skills and Learning Fund	7,003	-
Borough of Poole Council	-	47,852
UK Community Foundations	57,588	-
Goldsmiths	<u>50,000</u>	<u>-</u>
	<u>410,596</u>	<u>599,710</u>

Management Fees included in table above, are as follows:

	2015	2014
	£	£
Comic Relief	2,634	2,635
Dorset County Community Fund	28,641	49,542
Flood Fund	14,000	-
Salisbury Diocese Fund	3,000	-
Dorset Education Trust Fund – 19 to 65+ years	-	15,000
Active Communities Programme/ Health Full	-	2,500
Poole Communities Fund	-	375
Dorset Communities Fund	<u>-</u>	<u>1,250</u>
	<u>48,275</u>	<u>71,302</u>

DORSET COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED For The Year Ended 31 March 2015

5. CHARITABLE ACTIVITIES COSTS

	Direct costs (See note 6)	Grant funding of activities (See note 7)	Totals
	£	£	£
Edwards Fund	-	11,300	11,300
Dorset Communities Fund	-	2,787	2,787
Marjorie Gordon Endowment	-	-	-
Dorset Education Trust Fund for Children and Young People	-	-	-
Bournemouth Communities Fund	-	3,914	3,914
Poole Communities Fund	-	2,944	2,944
Bournemouth & Poole College Foundation Fund	-	2,730	2,730
Tall Ships Fund	-	-	-
Surviving Winter	66	19,652	19,718
Grant making support	109,026	-	109,026
Bournemouth & Poole Arts Prize Fund	-	-	-
Big Lottery Fund Grant	1,221	-	1,221
Dorset Education Trust Fund – 5 to 16 years	-	16,378	16,378
Comic Relief	-	24,552	24,552
Meggitt	-	2,250	2,250
Dorset County Community Fund	-	117,715	117,715
Kitty's Wish Foundation	-	-	-
Nightstop	-	-	-
Dorset Education Trust Fund – 19 to 65+ years	-	15,533	15,533
Trust Transfers	21,555	-	21,555
Dorset Community Foundation Bursary Scheme	(223)	13,973	13,750
Flood Fund	-	32,500	32,500
The Fishmongers Company Fund	-	55,597	55,597
Diocese Fund Social Welfare	3,000	-	3,000
Blandford Children's Fund	-	-	-
	<u>134,645</u>	<u>321,825</u>	<u>456,470</u>

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2015	2014
	£	£
Staff costs	92,550	82,699
Insurance	711	714
Telephone	1,529	1,546
Postage and stationery	2,092	2,473
Sundries	2,607	736
Travel	5,610	3,850
Marketing	2,820	4,763
Rent	6,900	6,900
Bank charges	59	202
Subscriptions	5,128	3,446
Recruitment advertising	751	-
Bookkeeping	7,080	2,271
Computer costs	2,189	5,049
Professional fees	3,558	12,054
Depreciation	1,061	1,938
	<u>134,645</u>	<u>128,641</u>

DORSET COMMUNITY FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED****For The Year Ended 31 March 2015****7. GRANTS PAYABLE**

	2015	2014
	£	£
Edwards Fund	11,300	9,150
Edmonds Fund	-	10,000
Dorset Communities Fund	2,787	4,267
Comic Relief	24,552	37,487
Meggitt	2,250	2,325
Bournemouth Communities Fund	3,914	3,992
Poole Communities Fund	2,944	4,433
Surviving Winter	19,652	10,964
Good Neighbour Action	-	2,000
Social Inclusion Action	-	10,212
Relearning Resilience	-	500
Dorset County Community Fund	117,715	511,674
Kitty's Wish Foundation	-	2,040
DCCF – Local Giving	-	792
Dorset Education Trust Fund – 5 to 16 years	16,378	10,781
Dorset Education Trust Fund – 19 to 65+ years	15,533	37,822
Bournemouth and Poole College Foundation Fund	2,730	-
Flood Fund	32,500	-
The Fishmongers Company Fund	55,597	-
The Dorset Community Foundation Bursary Scheme	13,973	-
	<u>321,825</u>	<u>658,439</u>

The total grants paid to institutions during the year was as follows:

Grant Awarded to	Amount Awarded £
B Sharp	11,500
Dorset Community Foundation	10,000
Christchurch Open Award Centre	8,723
Sessions Music and heritage Youth Club	8,290
Citizens Advice in Dorset	12,500
1 st Charmouth Scout Group	7,947
Christchurch Foodbank	7,500
St Leonards & St Ives Scout Guides	7,500
Swanage Pier Trust	7,500
Holt Parish Hall Trust	7,350
Air FM Community Interest Company	7,343
Dorset Rape Crisis Support Centre	7,177
Water Lily Project	5,950
Lyme Regis Dev. Trust	5,947
Langton Herring Village Hall	5,000
Mid Dorset Mencap Group	5,000
Other grants less than £5,000	90,363
	<u>215,590</u>

The total gains paid to individuals during the year were as follows:

Grants to individuals – The Dorset Community Foundation Bursary Scheme 16-21 yrs	13,973
Grants to individuals – The Fishmongers Company Fund	49,880
Grants to individuals – Flood Recovery Fund	32,500
Grants to individuals – Bournemouth and Poole College Foundation fund	2,730
Grants to individuals – Surviving Winter	7,152
	<u>106,235</u>

DORSET COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
For The Year Ended 31 March 2015

8. GOVERNANCE COSTS

	2015	2014
	£	£
Staff costs	900	900
Auditors' remuneration	<u>2,940</u>	<u>2,820</u>
	<u>3,840</u>	<u>3,720</u>

9. NET INCOMING/(OUTGOING) RESOURCES

Net resources are stated after charging:

	2015	2014
	£	£
Auditors' remuneration	2,940	2,820
Depreciation - owned assets	<u>1,061</u>	<u>1,938</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2015 nor for the year ended 31 March 2014

Trustees' Expenses

Reimbursed Trustees expenses during the year amounted to £Nil (2014:£Nil).

11. STAFF COSTS

	2015	2014
	£	£
Wages and salaries	88,029	77,360
Social security costs	<u>5,421</u>	<u>6,239</u>
	<u>93,450</u>	<u>83,599</u>

The average number of staff during the year was 4 (2014: 5).

No employees received emoluments in excess of £60,000 during this or the previous period.

12. TANGIBLE FIXED ASSETS

	Office/Computer equipment £
COST	
At 1 April 2014	7,441
Additions	-
At 31 March 2015	<u>7,441</u>
DEPRECIATION	
At 1 April 2014	3,924
Charge for year	<u>1,061</u>
At 31 March 2015	<u>4,985</u>
NET BOOK VALUE	
At 31 March 2015	<u>2,456</u>
At 31 March 2014	<u>3,517</u>

DORSET COMMUNITY FOUNDATION**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED****For The Year Ended 31 March 2015****13. FIXED ASSET INVESTMENTS**

	Listed investments £
MARKET VALUE	
At 1 April 2014	1,201,407
Additions	246,622
Disposals	(221,672)
Revaluations	<u>79,310</u>
At 31 March 2015	<u>1,305,667</u>
 NET BOOK VALUE	
At 31 March 2015	<u>1,305,667</u>
At 31 March 2014	<u>1,201,407</u>

There were no investment assets outside the UK.

An analysis of the portfolio is as follows:

	2015 £	2014 £
CCLA COIF Charities Investment Fund	264,870	157,708
BlackRock Charinco Common Investment Fund	271,715	263,089
BlackRock Charishare Common Investment Fund	<u>769,082</u>	<u>780,610</u>
	<u>1,305,667</u>	<u>1,201,407</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Trade debtors	400	17,142
Other debtors	2,441	3,148
Prepayments	<u>1,901</u>	<u>1,603</u>
	<u>4,742</u>	<u>21,893</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2015 £	2014 £
Grants payable	-	152,958
Social security and other taxes	2,255	1,439
Other creditors	3,753	429
Accruals and deferred income	<u>16,210</u>	<u>3,766</u>
	<u>22,218</u>	<u>158,592</u>

DORSET COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

For The Year Ended 31 March 2015

16. MOVEMENT IN FUNDS

	At 1/4/14	Incoming resources	Resources expended	Gains and losses	Transfers between funds	At 31/3/15
	£	£			£	£
Unrestricted funds						
General fund	49,496	69,180	(92,640)	-	12,440	38,476
Restricted funds						
Arts Fund	-	3,000	-	-	-	3,000
Big Lottery Fund Grant	2,988	-	(1,221)	-	-	1,767
Blandford Children's Fund	260	-	(260)	-	-	-
Bournemouth & Poole Arts Prize - Expenditure Fund	(1,059)	6,268	(1,579)	-	-	3,630
Bournemouth & Poole College Foundation Fund - Expenditure Fund	5,591	2,880	(3,871)	-	641	5,241
Bournemouth Communities - Expenditure Fund	7,934	9,154	(7,062)	-	2,033	12,059
Bristol & West	108	1,068	(108)	-	-	1,068
Comic Relief	12,612	25,088	(24,552)	-	-	13,148
DCCF - Local Giving	4,868	-	-	-	(4,868)	-
DCF Bursary Scheme 16 to 21 years	20,000	-	(15,148)	-	-	4,852
Dorset Communities Fund - Expenditure Fund	3,184	2,799	(3,905)	-	582	2,660
Dorset County Community Fund	-	124,140	(117,715)	-	-	6,425
Dorset Education Trust Fund - 19 to 65+ years	8,530	7,003	(15,533)	-	-	-
Dorset Education Trust Fund - 5 to 16 years	28,141	-	(18,016)	-	-	10,125
Dorset Education Trust Fund for Children and Young People - Expenditure Fund	9,206	4,131	(1,236)	-	904	13,005
Edmonds Fund - Expenditure Fund	49,704	-	-	300	(12,440)	37,564
Edwards Fund	13,782	-	(11,400)	-	4,868	7,250
Flood Fund	-	32,500	(32,500)	-	-	-
Goldsmiths Bursary Scheme	-	50,000	-	-	-	50,000
Kitty's Wish Foundation	2	-	(2)	-	-	-
Marjorie Gordon Fund - Expenditure Fund	21,680	9,472	(3,284)	-	2,107	29,975
Meggitt	6	2,500	(2,506)	-	-	-
Neighbourhood Fund	-	1,003	-	-	-	1,003
Nightstop	1	-	(1)	-	-	-
Poole Communities Fund - Expenditure Fund	4,300	3,848	(4,390)	-	839	4,597
Salisbury Diocese Fund Social Welfare	-	588	(443)	-	-	145
Surviving Winter	1,540	24,055	(22,433)	-	-	3,162
Tall Ships Fund - Expenditure Fund	2,358	1,174	(353)	-	261	3,440
The Fishmongers Company Fund	-	55,597	(55,597)	-	-	-
Trust Transfers	-	24,200	(21,555)	-	-	2,645
	195,736	390,468	(364,670)	300	(5,073)	216,761
Endowment funds						
Bournemouth & Poole Arts Prize Fund	151,492	-	-	13,952	-	165,444
Bournemouth & Poole College Foundation Fund	85,787	-	-	5,300	(641)	90,446
Bournemouth Communities Fund	272,565	-	-	16,852	(2,033)	287,384
Dorset Communities Fund	84,345	2,060	-	5,231	(584)	91,052
Dorset Education Trust Fund for Children and Young People	122,079	-	-	7,637	(903)	128,813
Marjorie Gordon Fund	323,308	-	-	17,432	(2,108)	338,632
Poole Communities Fund	113,464	375	-	7,077	(837)	120,079
Salisbury Diocese Fund Social Welfare	-	88,500	(3,000)	4,666	-	90,166
Tall Ships Fund	34,977	-	-	2,160	(261)	36,876
	1,188,017	90,935	(3,000)	80,307	(7,367)	1,348,892
TOTAL FUNDS	1,433,249	550,583	(460,310)	80,607	-	1,604,129

DORSET COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

For The Year Ended 31 March 2015

16. MOVEMENT IN FUNDS – continued

Meggitt Fund

The fund was set up in June 2006 by Meggitt Plc. The fund is to benefit small voluntary or community groups working to benefit people living in Bournemouth, Dorset and Poole.

Edwards Fund

The fund was established in June 2006 as the request of the Donor. The purpose of the fund is to provide financial support for designated projects as specified by the Donor, in line with the conditions laid out in the Fund Agreement.

Comic Relief

The fund commenced on 1st April 2009 and the Grant is to be used to support work where there is clear evidence of a sustained beneficial impact on people's lives that are excluded or disadvantaged through low income, rural or social isolation, age, disabilities, race, sexuality or gender. Priority is given to small, locally based groups or organisations in areas of disadvantage that have a clear understanding of the needs of their community and are undertaking actions as a means of addressing these needs.

Bristol & West

The fund was set up in 2007 from members' windfall payments at the time Bristol & West demutualised. The purpose of the fund is to support charitable causes which "improve the quality of life and the environment in which we live."

The Surviving Winter Appeal

The fundraising proceeds of the Appeal will specifically fund organisations providing cold weather related support and services to the elderly within Dorset.

Dorset County Community Fund

A three year revenue grant programme operated on behalf of Dorset County Council. The fund criteria is capacity building of organisations and funding projects that evidence gaps in provision or address unmet needs within Dorset.

Marjorie Gordon Fund

An expendable endowment fund, established in April 2003 from a bequest to the Foundation from Miss Marjorie Gordon, for the benefit of academic achievement amongst young people to enable more children to go to University or further education.

Dorset Education Trust for Children & Young People

An expendable endowment fund, set up by Dorset County Council. Income arising from the endowment is to be spent on supporting children and young people in education.

Dorset Communities Fund

An expendable endowment fund, which accepts voluntary donations, with the aim of providing long-term sustainable support to develop and strengthen the work of Dorset based charities and community groups. The income of the fund will only be spent on Dorset specific organisations or community issues. The fund will particularly support projects and voluntary organisations working within: Health and Social Welfare; Education and Skills; Arts; Heritage; Culture; and Environment.

Bournemouth Communities Fund (formerly called the Bournemouth Bicentenary Fund)

An expendable endowment fund, which accepts voluntary donations, with the aim of providing long-term sustainable support to develop and strengthen the work of Bournemouth based charities and community groups. The income of the fund will only be spent on Bournemouth specific organisations or community issues. The fund will particularly support projects and voluntary organisations working within: Health and Social Welfare; Education and Skills; Arts; Heritage; Culture; and Environment.

Edmonds Fund

A restricted fund established on 1st August 2006 at the request of the donors. The fund is non-discretionary with a primary focus on support for young people in Dorset. The donor advises on the grants to be made.

Poole Communities Fund

An expendable endowment fund, which accepts voluntary donations, with the aim of providing long-term sustainable support to develop and strengthen the work of Poole based charities and community groups. The income of the fund will only be spent on Poole specific organisations or community issues. The fund will particularly support projects and voluntary organisations working within: Health and Social Welfare; Education and Skills; Arts; Heritage; Culture; and Environment.

DORSET COMMUNITY FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

For The Year Ended 31 March 2015

16. MOVEMENT IN FUNDS – continued

Tall Ship Pelican

An expendable endowment fund, which was set up in 2011 by a private donor who donated £15,000. This donation received matched funding of £15,000 under the Grassroots Endowment Challenge. The purpose of the fund is to provide an annual bursary towards the cost of a trainee placement or participation in the Tall Ship Pelican's Sail Training scheme. Funding is restricted to assisting disadvantaged young people living in Dorset.

Bournemouth & Poole College Foundation Fund

An expendable endowment fund, which accepts voluntary donations, with the aim of providing long-term sustainable support for students attending Bournemouth & Poole College. The income from the fund can only be used for the benefit of the students to support their further education at the College.

Bournemouth & Poole Arts Prize Fund

A permanent endowment fund, which was established in March 2013 with funds from the sale of some of their Art Collection. The income from the fund is to be used to fund an Annual Arts Prize.

The Dorset Education Fund

A restricted revenue fund to support groups through extra-curricular and enrichment activities for 0-16 and 19+ years (on behalf of Skills & Learning) in the acquisition of skills, training, improved digital and financial literacy, communication skills, to develop stronger communities leading to a greater social cohesion and health and wellbeing.

DCF Bursary Scheme 16 to 21 years

The Dorset Bursary Scheme is an expendable endowment fund, which accepts voluntary donations, with the aim of eliminating the gap between those from deprived and those from more affluent backgrounds. Bursaries are available for students between the ages of 16-21 years who wish to study a vocational college course. The fund supports costs towards transport, study trips and special equipment & clothing.

Flood Fund

A restricted revenue Fund, from the Office for Civil Society, to help support victims of flooding across Dorset.

The Fishmongers Company Fund

A restricted revenue Fund, to support Fisherman across Dorset, affected by the floods and storms of Winter 2013/14.

Arts Fund

An expendable endowment fund, which accepts voluntary donations, with the aim of providing long-term sustainable support to develop and strengthen the work of charities and community groups across Dorset working in The Arts. The income of the fund will only be spent on organisations or community issues dealing with mental health.

Neighbourhood Fund

An expendable endowment, which accepts voluntary donations, with the aim of providing long-term sustainable support to charities and community groups supporting older people.

Salisbury Diocese Fund Social Welfare

A permanent endowment fund established to support groups working to improve communities and the lives of people living in them across the part of Dorset contained in the Diocese of Salisbury, that is the Archdeaconries of Sherborne and Dorset. There is a particular focus on those areas experiencing the greatest deprivation and those areas identified by the Diocese as requiring more assistance.

The Goldsmiths' Company Fund

A restricted revenue fund that will be funding a mentoring project.

Transfers between funds

A transfer of £12,440 was made from the Edmonds fund to the general fund as a donation aid Core Funding.

A transfer of £4,868 was made to the Edwards Fund from DCCF Local Giving, this was an underspend from the original donation made from the Edwards Fund.

17. CONTROLLING PARTY

The charity is jointly controlled by the Trustees.