

DORS

Development Organisation of Rural Sichuan

四川农村发展组织

Annual Report and Financial Statement for the 1st January 2022-31st
December 2022

ADMINISTRATIVE INFORMATION

UK CHARITY NUMBER: 1061133

FINANCIAL PERIOD: 1 January 2022 - 31 December 2022

TRUSTEES: Rose Acock MBE
 Dr Emma Stone
 Richard Veal
 Derek Acock (retired)
 Barbara Acock
 Richard Anderson (appointed)

REGISTERED ADDRESS: Apt 45, Llanthony Priory,
 St Ann Way
 Gloucester GL2 5GQ
 UK

BANK: Lloyds,
 Tewkesbury
 Gloucestershire

INDEPENDENT EXAMINER: Mr Paul Stafford
 APS Accounting
 7 Grasmere Road
 Longlevens
 Gloucester
 GL2 0NQ

TRUSTEES REPORT FOR THE YEAR ENDED 31 December 2022

DORS is governed by a constitution adopted on the 3 January 1997, and amended in 2004.

The objective of the Charity is to facilitate the development of rural communities in poor regions of Sichuan in an integrated manner that targets those most in need for long-term sustainable development.

DORS has a legally recognized representative office in Hanyuan County, Sichuan Province. UK support is provided by the Trustees who work on a voluntary basis. There are 7 staff in Sichuan, Vice Director, Finance Manager, 4 programme staff, and driver.

The charity supports village development projects in poor areas of rural Sichuan. DORS Representative Office in Sichuan presents its work plan and expected income from foreign sources to the Public Security Bureau for approval each January. Financial regulations include preparing annual accounts which are audited by a Chinese auditor. This was completed for the period 1st January 2022-31st December 2022.

In addition to DORS Representative Office in Sichuan, DORS also has a small local registered Chinese NGO, which will be able to receive Chinese funding from Chinese foundations (the representative office cannot). This Chinese NGO is currently dormant.

There is no financial arrangement with the local government and project expenditure goes directly from DORS to the project villages.

PROJECT PROGRESS SUMMARY

For the third year in a row, progress was again hindered by the Covid restrictions which resulted in no community visits being allowed during several months of the year. There is heightened security and reluctance by local officials to allow DORS staff visits to rural communities and visits between counties. Project donors have not been able to visit as a result.

During this year, DORS had three major projects.

1. Well-being and Resilience of Rural Women in Pianma Township, Hanyuan County.

This project started in May 2021 and will run for two years. The total budget for the project is £592,174 (681,000 euro) with a contribution from Misereor of up to £413,913 (476,000 euro).

The project targets 500 women and 150 elderly people from the more remote areas of Pianma Township, and help them to develop local support networks, improve livelihoods and improve mental health and resilience.

The main objectives for this project are:

- Increase the personal development and livelihood opportunities of 400 women, enhancing resilience to shocks and stresses, and impacting 2000 people including family members.

- 500 women and 150 elderly people take more care of their physical and mental health, understand how to keep themselves healthy through diet lifestyle and when to seek medical advice and treatment for themselves and their families.
- 500 women and 150 elderly are engaged in mutual support through groups and social activities enhancing their welfare and mental health, have access to and safe use of social media for access to useful information and entertainment, and on-going support from within the community.

The livelihoods activities of women have continued, with a focus on rabbit breeding in Pianma Village. During the year, 22 women set up as rabbit breeder demonstration households, and by October, 305 litters were born, with the sale of young rabbits already bringing in an income. Visits to Chengdu and Leshan City were organised for women to meet rabbit breeders, and a renowned rabbit breeder visited the community several times over the year to offer training on all aspects of rabbit raising.

Meetings were held to develop goat breeding for Ranmo Village, and cattle breeding in Daying Village. For elderly and vulnerable households in Ranmo and Pianma Village, who do not have the labour needed for some livestock, a feasibility study was carried out into chicken raising.

Apart from livestock development, DORS also assisted the 4 villages in Pianma, along with the Pianma Township, in marketing activities to sell their huajiao and walnuts. This included working together on design and production of suitable packaging to increase sales. Farmers provided part of the costs for the packaging. The boxes for walnuts are suitable for sending by mail, making good use of the online sales avenues.

Agricultural equipment was discussed to further develop income generating, and as the area produces walnuts, a priority was shears for cutting high branches. 129 sets were purchased (50% contributing from the household), and distributed.

Promoting health and well-being was carried out by selecting 25 women from across the villages, to be trained as health volunteers for their communities. Through these women, more elderly people and people living in remote parts of the village can benefit from health related activities.

To improve the mental well-being, various training sessions were carried out by a visiting psychologist. Women in the women's groups, were able to share their difficulties, and get advice on how to manage them. Parents were particularly interested in issues around child raising. In addition, separate visits were made to women who were experiencing particular difficulties and they were to find solutions. There was much interest in the content of this training, and women were eager to have more sessions. After the initial visits, women were able to put forward their key areas of interest, and during subsequent visits, the psychologist was able to address these in separate groups of women.

Doctors from the local health centres were organised to visit the different parts of the participating villages, to carry out basic health checks and provide advice to women on common ailments. Hygiene and sanitation activities were carried out, including training on household hygiene, safe food habits, etc.

For international women's day, women's groups members and members of the mutual

support groups visited elderly and disadvantaged women in their communities to deliver small gifts such as blankets and quilts, in total 517 elderly and disadvantaged people received gifts and visits. Through these efforts, we are building up mutual support for elderly in the communities.

Women's groups are meeting regularly to engage in group activities, which include singing, dancing and sports. The mutual support groups are set up in each village, and there are groups specifically for elderly people also established. These groups have had a number of training sessions and group activities, such as cake baking, which now they do every month to celebrate elderly group members birthdays.

The project is also building pavillions as places for elderly and womens groups to meet up and socialise, carry out their dancing and other exercises. One pavillion was completed in Pianma Village in November and can accommodate 40 people. Women are meeting there daily and the pavillion has already been used for celebrations. To further support to elderly people, we have been liaising with relevant government departments and civil society organisations such as the Red Cross.

Towards the end of the year, due to the relaxation of the strict covid policies, covid spread rapidly throughout the project communities, delaying project activities.

2. Xide Yi Women's Livelihoods and Well-being Project

This project was started in March 2020 in Xide County of Liangshan Yi Minority Autonomous Prefecture. The total budget for the project is £543,266, which includes a grant from Kadoorie Charitable Foundations of £448,370, and local and government contributions. The project aims to improve the livelihoods and well-being of Yi people in 2 villages, particularly women.

Specific Objectives:

- To increase and diversify household income
- To build the capacity of women to engage in livelihoods activities and community affairs
- To improve health and sanitation situation particularly to benefit women and children
- To develop and promote a model for Yi community development.
- Model prepared and shared with over 20 organisations/departments.

Livestock projects were developed over the year involving 117 households in Machang and 70 households in Siguoju. The livestock included sheep, cattle and pigs. As part of the project, farming families who had livestock earlier were then passing on young to further households for free. This included passing on livestock to households of only elderly people who would struggle to contribute financially, so that they could also be included in the project. It also fosters the idea of providing ongoing support to elderly villagers. Women were the main recipient of income from the livelihoods projects.

To further develop livestock, support is also being provided to renovate or rebuild the livestock pens and sties, as this is currently a limiting factor for some households. Further plans are in place to develop more fodder crops.

Since the easing of covid travel regulations, a group of Pianma women were taken to various locations including to successful cooperatives and to an Agriculture Incubation Park. The farmers have also been able to expand their network of contacts and increased sales channels for their goods.

To date 4 women's management groups have been established and training provided. All 4 groups, with membership of 155, are now actively involved in organizing activities for themselves and vulnerable groups in their communities. More and more people are getting involved in the village activities. One of the activities of the groups is caring for vulnerable people such as widows, disabled or elderly people in their communities.

Through these activities, women are more open to discussing their emotions, are gaining confidence to speak out for themselves, and are finding inspiration and strength in sharing their stories. Women also feel that the activities they are engaged in are bringing them happiness and a sense of belonging in the group.

The project has carried out activities relating to improving health and sanitation. Since the start of the project basic sanitation and health training sessions have been held 21 times in Siguoju and 17 in Machang. Kitchen hygiene has significantly improved, and so have personal hygiene habits. Microscopes were used to show women the germs they couldn't see with the naked eye. Covid prevention and rehabilitation were also covered in the training. Due to the covid epidemic affecting travel, some of the activities were carried out online and with mobile phones. Training was given on the use of phones and apps such as Wechat, and women were then able to use these apps, for example, sending photos of their clean kitchens etc.

As part of this component to improve health and sanitation, solar water heaters for hot showers, and sanitary toilet renovations have been carried out with the households contributing part of the materials. As some households were unable to build their own bathrooms, a public bathroom has been constructed in Siguoju. with funding from another party.

To prevent the spread of covid when family members returned for Spring Festival, the project also provided face masks and hand sanitizer from alternative sources.

After a fire in the village destroying one house, DORS provided some funds, this spurred the community to develop their own disaster relief fund, and they have already put some money aside using remaining project guarantee funds that they had available.

3. Fuel efficient stoves Project

The two-year project (May 2020-April 2022) for £63,919 was to build 420 fuel efficient stoves in rural households. Part of the costs and materials are provided by the household. 119 stoves were completed in two villages of Xide County and three villages in Pianma Township in Hanyuan County. Since then, the project has changed and installed a total of 350 ovens, 297 solar lights, benefiting a total of 3,030 people, including families in need.

During the internal evaluation, the five village committees and the participating households gave high marks to both the stoves and the solar light project, saying that the project was the most suitable for the elderly and villagers in high mountain areas, and the most suitable for the actual needs of the elderly in spring and winter.

4. Loan Scheme

The loan project remains suspended due to unclear regulations around NGO authorization to conduct loan schemes. The original donors no longer require follow up reports on the use of the funds. These funds can be designated for use as small business development grants when needed.

5. Education Projects

DORS provided £2557 (22,500 CNY) towards school/college fees and living expenses for particularly disadvantaged children in 2022.

FINANCE

DORS received donations and grant income of £311,257 (last year £230,274). The total incoming funds were £318,889 (last year £238,886). The main donors this year were Kadoorie Foundation, Misereor and a private donor.

Of this year's total income, £310,535, was restricted for specific projects and the remainder is unrestricted funds.

In total, the Charity expended £286,656 during the year (last year £207,058).

Of the total expenditure, project expenditure was £282,809 (last year £198,943). The admin costs were £2561 as most staff and office running costs are covered by project expenditure.

At the end of December 2022 DORS had total net assets amounting to £378,040 of which £3377 were fixed assets. The net assets are available for financing the two current projects, the temporarily suspended loan scheme, further projects and as a reserve. This is particularly high as we have a loan fund of £152,926 that we are not currently loaning as our legal status relating to loans is unlikely to be clarified in the near future, and the project progress has been slow due to Covid restrictions.

DORS has two Sterling bank accounts with Lloyds, and a Euro account for the Misereor projects. We have one bank account in China in line with the International NGO law. Some cash is kept in a higher interest short term bond with the same bank. All accounts and cash are balanced on a monthly basis.

Payment to trustees. There were no payments to trustees during this period.

Reserves

DORS has revised its reserves policy to take into account employment law in China. The minimum reserve will cover the costs of closing down the programme and related staff redundancy costs, and the costs of international staff repatriation in case of an emergency. The required sum will be kept under review by the Director to account for varying circumstances. At the present time, it is set at £51,136. The actual unrestricted funds available are sufficient to cover this.



Rose Acock
On behalf of Trustees
11 October 2023

Development Organisation Of Rural Sichuan

Statement of Financial Activities for the Period 1st January 2022 to 31st December 2022

Exchange rate 1 GBP = 8.8 RMB

1 GBP = 1.15 Euro

Income and Expenditure

	Restricted		Unrestricted		Total Funds		2021
	GBP	CNY	GBP	CNY	GBP	CNY	GBP
1 Incoming resources							
1.1 Charitable donations 2	310,535	2,732,708	722	6,352	311,257	2,739,060	230,274
1.2 Other Income	0	0	7,633	67,168	7,633	67,168	8,612
Bank Interest CN	0		2,561	22,540	2,561	22,540	
Bank Interest EN	0	0	34	303	34	303	
Loan management fee	0	0	0	0	0	0	
Exchange rate gain		0	2,806	24,693	2,806	24,693	
DORS admin income	0	0	2,231	19,633	2,231	19,633	
Assets 3	0	0	0	0	0	0	
Total Income	310,535	2,732,708	8,355	73,520	318,890	2,806,228	238,886
2 Resources expended							
2.1 Charitable Expenditure 4	281,765	2,479,535	1,120	9,854	282,885	2,489,389	198,943
2.2 Admin Expenditure: 5	0	0	2,561	22,537	2,561	22,537	1,154
Audit fee (UK)	0	0	330	2,904	330	2,904	
Audit fee (China)	0	0	0	0	0	0	
DORS project admin China	0	0	2,231	19,633	2,231	19,633	
of which fundraising	0	0	0	0	0	0	
2.3 Other Expenditure	1,044	9,186	166	1,462	1,210	10,649	6,961
Loan management			0	0	0	0	
Asset depreciation	1,044	9,186	0	0	1,044	9,186	
Exchange rate loss 6	0	0	0	0	0	0	
Bank fees CN	0	0	97	855	97	855	
Bank fees EN	0	0	69	607	69	607	
Total Expenditure	282,809	2,488,722	3,847	33,853	286,656	2,522,574	207,058
3 Gross transfer between funds 7	6,432	56,602	-6,432	-56,602			
Net Incoming Resources	34,158	300,589	-1,924	-16,934	32,234	283,654	31,828
Total Funds Brought Forward (at ex rate of 8.8)	232,330	2,042,537	113,476	998,217	345,807	3,040,754	
Total Funds Carried Forward (at ex rate of 8.8)	266,488	2,343,126	111,552	981,283	378,040	3,324,408	

Balance Sheet as at 31 December 2022

Exchange rate 1 GBP: 8.8 RMB

Total GBP

Fixed Assets

3,377

Restricted Vehicle	1,520	
Unrestricted Furniture and equipment	1,857	

Current Assets

Account balances	GBP	CNY	368,837
Hanyuan CNY Account 1811	147,657	1299378	
Hanyuan CNY Acc 1811 6 month bond	100,846	887447	
UK Account 9580	52,108		
UK Account 4774	67,561		
UK Euro account (ex 1.15 31 Dec 2022)Euro 222.	194		

Cash balances

Cash CNY	471	4147.36	
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Debtors (amount falling due within the year)

20,954

Loan funds outstanding loans	710	6,250	
Other	1,680	14797	
Misereor donation due in	18,564	212268	

Total Current Assets

389,791

Creditors (amounts falling due within the year)

-15,128

Payments due	-11,178	-98370	
Project liabilities	-3,950	-34759	

Total assets less liabilities

0

374,663

Net Assets

378,040

Net Assets Represented by:

GBP CNY

1. Restricted Funds:**266,488**

Xide Yi Women Well-being (Kadoorie)	95,662	841,828
Stoves Project (Hong Kong donor)	17,012	149,703
Education Project	888	7,804
Well-being and Resilience Sichuan (Misereor)	0	-
Loan scheme capital (MC and PAA)	152,926	1,345,749

2. Unrestricted Income Funds**111,552**

Unrestricted funds	52,378	460,924
Reserve funds	51,136	449,997
Designated funds:		
Loan scheme management	8,038	70,734

378,040

Development Organisation of Rural Sichuan

Notes to the Accounts for the Period 1 January 2022 to 31 December 2022

1. General

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated. The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 1 January 2019

As a condition of the Registration of a Representative Office in China, DORS Representative office in Sichuan has annual audits in China of all Chinese related transactions. Therefore, the UK accounts were prepared using the information in the audited accounts for the same period, with the addition of UK income and expenditure.

At the balance sheet date, the exchange rates are as follows:

1 Pound Sterling (GBP) = 8.8 Renminbi (RMB) / Chinese Yuan (CYN)
1 Pound Sterling (GBP) = 1.15 Euro

2. Income

Restricted Donations

Xide Yi Women's Livelihood and Well-being Project (Kadoorie Charitable Foundations)	£201,338
Well-being and Resilience of Rural Women in Sichuan (Pianma) (Misereor)	£59,739
Education (Private donors various)	£600
Stoves and solar Project	£48,858

Unrestricted Donations

Misc. donors	£722
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Most of the donations received by the charity are for use on specific projects. Each project has a restricted fund. The fund title refers to the project name and major donor. Some of the project's income comes from local contributions, so the amounts do not always exactly match that which is donated by the donor.

Villager contributions are included in project accounts along with the donor donations.

3. Assets

No assets were purchased in 2022.

4. Charitable Expenditure

Restricted:

Xide Yi Women's Livelihood and Well-being Project (Kadoorie)	£133,800
Private Donor Stoves Project	£43,758
Well-being and Resilience of Rural Women in Sichuan (Misereor)	£101,651
Education	£2556

Unrestricted:

Small projects	£1120
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5. Admin expenditure:

The project office running costs are mostly covered as part of the charitable expenditure above. The Sichuan Representative Office is audited by a Chinese Auditor in China in compliance with the INGO law, and by a UK Independent Examination.

6. Exchange rate loss/gain

These gains are due to fluctuations in the exchange rate over the year.

7. Gross transfer between funds

There was a transfer of £6,432 from unrestricted to restricted.

8. Current Assets & Liabilities**Debtors**

Loan fund outstanding £710
 Deposit £140
 Xide Apartment advance rent and road tolls £1540
 Project payment due from donor £18564

Payables

Staff salaries due £11,980 (CNY 97,670)
 Tax due £80 (CNY700)
 Project 010 £3270 (CNY28,780) project funds
 Project 011 £465 (CNY4095) 5% balance payment for 75 stoves
 Project 012 £21 (CNY184) produce packaging
 Project activity deposits (guarantees) from farmers £194 (CNY1700), to be returned on completion.

Loan Scheme Funds:

DORS runs a loan project where business loans are made to beneficiaries in project villages to develop their businesses. This loan fund consists of CNY100,000 from Sichuan Poverty Alleviation Association (PAA) and CNY1,252,000 from Mercy Corps both received in previous years. No loans were made in 2022.

The loan fund total £152,926 CNY 1,345,749

	GBP	CNY
During the year loans made were	0	0
Loan capital repayments were	0	0
Balance of loan fund:	£152,926	1,345,749
Balance of management fees (unrestricted)	£8,038	70,734

Report to the trustees of DORS

I report on the accounts of DORS for the year ended 31 December 2022.

Respective responsibilities of trustees and examiner

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

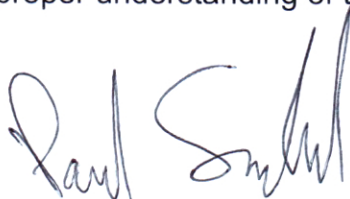
I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit go beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent Examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination. I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Name: Paul Stafford FCCA

Address: 7 Grasmere Road, Longlevens, Gloucester

Date: