

REGISTERED COMPANY NUMBER: 00309329 (England and Wales)
REGISTERED CHARITY NUMBER: 229119

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
DURHAM COMMUNITY ACTION LIMITED**

Robson Laidler Accountants Limited
Fernwood House
Fernwood Road
Jesmond
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DURHAM COMMUNITY ACTION LIMITED

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 14
Independent Examiner's Report	15
Statement of Financial Activities	16
Balance Sheet	17 to 18
Cash Flow Statement	19
Notes to the Cash Flow Statement	20
Notes to the Financial Statements	21 to 33

DURHAM COMMUNITY ACTION LIMITED

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2021**

TRUSTEES	Professor S J Banks Mrs L C Bird (appointed 26.11.20) Mrs P Buckley-Atkins – Treasurer Mrs J Flynn MBE - Vice chair Mrs A Hawkes (appointed 23.09.21) Mr G C Hepburn OBE (resigned 26.11.20) Mrs E Kilgannon (appointed 23.09.21) Mr M J Litchfield (appointed 16.7.20) Professor JF Robinson (appointed 23.09.21) Mr J Robinson Mrs C A Smith Mrs J M Worters MBE - Chair of Executive Committee
COMPANY SECRETARY	Mrs J Laverick
REGISTERED OFFICE	8 St. Stephens Court Low Willington Crook Co. Durham DL15 0BF
REGISTERED COMPANY NUMBER	00309329 (England and Wales)
REGISTERED CHARITY NUMBER	229119
INDEPENDENT EXAMINER	Robson Laidler Accountants Limited Fernwood House Fernwood Road Jesmond Newcastle upon Tyne NE2 1TJ
BANKERS	Lloyds Bank PLC 54 Fawcett St Sunderland SR1 1SF
SOLICITORS	Muckle LLP Time Central 32 Gallowgate Newcastle Upon Tyne NE1 4BF Swinburne Maddison LLP Venture House Aykley Heads Business Centre Durham DH1 5TS

DURHAM COMMUNITY ACTION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Chair's report

Coronavirus swept over all of us in February 2020, just a month before the end of our previous financial year. Within a period of less than three weeks, we all found ourselves living and working in circumstances that were completely new and unpredicted.

All our work, throughout the entire year, has been orientated in response to the impacts that Covid-19 is continuing to have on our communities, staff, partners, and society in the round.

Having made rapid adjustments in the face of the first lockdown in March 2020, we re-focused our priorities and built our work around them. Key areas of our work focused on:

- Support for groups in isolation, locked down and unable to open their centres or carry out activities.
- Advice, support and help for groups which diversified, and set up initiatives to provide community support, food, and deliveries.
- Support and advice for volunteers, particularly with regard to safeguarding, managing risks and for those involved in the Mutual Aid groups that sprung up in the wake of the Coronavirus lockdown.
- Surveying the sector to check on their immediate and longer-term needs and championing the response through the strategic and cross sector working groups that were established to manage the crisis, and the subsequent recovery period.

The three key themes to our work with communities lie in Volunteering support, Community Asset building, and collaborations and alignment with key VCS support organisations.

Supporting networks and partnerships within the VCS continues to be of crucial importance to us. As a VCS infrastructure support provider, we play a key role in representing and championing the sector. Multi-sector partnerships in County Durham have proved to be highly effective conduits for information exchanges, problem solving, consultation and co-production in shaping new approaches to services, and never more so than over the last year.

Maintaining contact with community groups and volunteers also assumed critical importance during lockdown. Many volunteer community activists, subjected to isolation or shielding, needed access to advice, help and funding, in order to sustain their community assets and provide capacity to continue beyond lockdown and into recovery.

Our work continued to concentrate on responding to their needs, with information, resources, advice, support, bespoke training, and lots of practical help.

Over the course of the year, we worked closely with a diverse range of funders, including commissioners, the Community Foundation and charitable grant giving trusts. Working collaboratively, funders have been hugely supportive to the sector, enabling greater flexibility, and supporting the sector as organisations adapted the ways in which they reach their beneficiaries. Through this support a lot of VCS organisations and groups have been able to sustain and to plan ahead, for when they can re-open re-build their income streams and activities.

Alongside many organisations in the VCS who are reliant on a broad portfolio of funding support, we were very fortunate and grateful to have the overwhelming support of Durham County Council, Defra, the National Lottery Communities Fund, County Durham Clinical Commissioning Group (CCG), the Office of the County Durham Police, Crime & Victims Commissioner, County Durham Community Foundation, and all of our other funders, who responded so quickly and effectively to the crisis.

DURHAM COMMUNITY ACTION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Chair's report (continued)

In terms of DCA's future as a going concern, our Trustees have continued to meet on a bi-monthly basis to review income and cash flow. We undertook regular reviews of staff, workloads, home based working capacity, and funding over the course of the year. In March 2020, we concluded that we did not need to furlough any staff through the Government funded 'Coronavirus Job Retention Scheme'. All staff are needed to maintain their support work, and we are fortunate in having sufficient confirmed funding resources to sustain this arrangement throughout the current financial year. Financially, we are grateful that DCA can look forward to the coming year with a degree of confidence, despite the continuing challenges and the climate in which we continue to operate.

This report outlines the charity's objectives and achievements during the year to 31 March 2021 and details the arrangements that are in place to protect and develop resources.

2020/2021 was a year which was truly exceptional. Alongside all our colleagues in public service, we are continuing to work with the ramifications of the pandemic and adapt and respond to new and emerging needs as we go.

As Chair, I would once again like to express my thanks and appreciation to the Staff and Trustees, who are without doubt Durham Community Action's most valuable assets. Without them, it would not be possible to generate the income that supports the community development activities.

On behalf of all the Members, Staff and Trustees I would also like to express special thanks and appreciation to our funders and all those who placed their faith in us to support the sector during this time of crisis.

Mrs Jan Worters MBE
Chair of Executive Committee

DURHAM COMMUNITY ACTION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

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 2021. The trustees have adopted the provisions of 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 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The purpose of the charity is 'to promote the benefit of the inhabitants of County Durham and the surrounding areas without distinction of sex, sexual orientation, race or of political, religious or other opinions, by associating together the said inhabitants and the statutory authorities, voluntary and other organisations in a common effort to advance the welfare of the said inhabitants with the object of improving their conditions of life, through any or all of the following:

- (a) the relief of poverty.
- (b) the advancement of education.
- (c) the advancement of health.
- (d) the relief of unemployment.
- (e) the promotion of urban and rural regeneration; and
- (f) such other charitable purposes as may from time to time be determined.'

ABOUT DCA AND OUR VALUES

Durham Community Action works with and for communities across County Durham. We believe County Durham is a better place for having thriving community organisations. We run DCA well, so we can support community organisations by:

- Providing expertise and advice which is tailored to needs and circumstances.
- Supporting and nurturing new community initiatives
- Enabling good volunteering practice and opportunities.
- Representing and providing a voice for the community and voluntary sector in County Durham.

Our Values	About Us
Objectivity, honesty & integrity Do the right thing Set high standards for the sector Encourage a can-do culture Accountability and responsibility Professional pride Enabling Leadership Learning the lessons and sharing them. Listening, reflecting Analysis and problem solving.	Providing Expertise and Advice: We support community organisations to do their work effectively, by providing advice, training, resources, and help to tackle challenges, and to realise their aspirations. Supporting new Initiatives: We work with networks and communities of interest to track opportunities and challenges for the sector, and to innovate and test new approaches which strengthen our social and community infrastructure. Enabling good Volunteering: We provide brokerage and resources to develop volunteering opportunities and good practice in volunteer involving organisations. We champion volunteering across all sectors in the County, and support people who are new to volunteering to find the right opportunities for them. Providing a Voice: We apply our knowledge and expertise within the VCS into sector led networks, and multi-agency partnerships in County Durham, the north east and nationally. We achieve this, through effective leadership, and representing sector interests and the issues which affect communities in County Durham. Through championing the interests of our local VCS, we can influence and help shape public sector policy, and the design and commissioning of local services.

DURHAM COMMUNITY ACTION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Objectives, performance and achievements

The Trustees consider the Charity Commission's guidelines on public benefit, including 'Public benefit: running a charity' (PB2) when shaping and planning the charity's objectives and activities.

This year, we have been working in exceptional circumstances, and we adjusted our objectives to be responsive to needs which arose from the pressures placed on communities and volunteers as a result of the pandemic.

We have placed an emphasis on supporting and sustaining community assets, with an objective to support the resilience of our social and community infrastructure in County Durham. Our work streams focused primarily on:

1. Supporting Community Organisations: Keeping in touch, support and help for community organisations and groups, particularly for volunteer led groups.

2. Volunteering: Support for volunteers and the volunteering infrastructure in County Durham (groups and organisations that work with volunteers, mutual aid groups, individual volunteers supporting the Covid vaccination and testing programmes, and local community action).

3. Voice: Representing and championing the VCS voice, through the range of strategic multi sector partnerships, and through continuing reviews of partnership working across the sector.

We are still managing through the continuing impacts that Covid brings to the ways we can work and re-prioritise services and will need to continue with this set of priorities well into 2021.

Good progress was made in delivering against each of the three themes during the year, producing a range of outcomes that provide clear public benefits:

Objective 1 - Supporting Community Organisations: Keeping in touch, support and help for community organisations and groups, particularly for volunteer led groups.

Priorities	<ul style="list-style-type: none">• Keeping in touch with volunteer led community groups, and providing a range of information, updates & news, advice, and guidance.• Supporting groups with funding and training,• Providing opportunities for networking and training, plus on-going support for the wider Voluntary & Community Sector.• Supporting community groups providing informal mental health support through the Cree network• Assisting local groups planning for community led housing initiatives.
Achievements	<ul style="list-style-type: none">• 789 VCS groups and organisations were supported with information, advice, and guidance.• DCA's Share and Learn Network for community organisations and groups moved on-line and continued to provide a fully subscribed programme of networking and training activities. Membership of the network increased to 273 organisations and groups. The network has a closed Facebook page that now has an active membership of 116 organisations.• 448 people participated in practical, on-line workshops (community development).• Working with colleagues in the VCS, DCA continued delivery of an action plan for training, particularly promoting safeguarding and risk awareness for staff and volunteers working remotely. DCA also contributed to Adult Safeguarding Awareness Week in November through a series of on-line activities and events.• DCA launched our Community Hubs Programme and provided tailored support for a cohort of 47 community organisations through consultancy, case work and training for volunteer trustees to put governance and business planning into place. We also provided funding advice and access to small grants.• 24 organisations in the Cree network were supported, 20 of which we helped to plan for and secure Winter Resilience Funding (supporting 330 Cree members).

DURHAM COMMUNITY ACTION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Objective 1 - Supporting Community Organisations (continued): Keeping in touch, support and help for community organisations and groups, particularly for volunteer led groups.

Public benefit	<ul style="list-style-type: none">• As a broker and information point for the VCS, DCA was able to ensure the sector had rapid access to relevant, timely guidance and advice as national and local Covid regulations were introduced and adjusted. Working with Public Health on communications and messaging, DCA supported and advised community services about how they could manage safely and ensure their continuing compliance and safety within new and rapidly changing guidelines and regulations.• Advice, guidance, and interventions helped to sustain community-based services delivered by volunteers and community buildings managed by local people, helping to adjust and modify the ways in which they continued to support vulnerable beneficiaries.• Peer to peer networks for volunteer trustees were expanded and supported, ensuring greater, shared learning, problem solving and confidence building to manage through lockdown and survive through recovery to sustain their offer.• Knowledge and understanding of the current funding climate were improved within the Voluntary and Community Sector.• Volunteers and front-line staff were able to work together, across sectors, to develop good practice and help them to provide stronger support for their clients and user groups.• Lessons learned and intelligence were shared and disseminated, to ensure a clear view of infrastructure issues arising through the initial crisis, and then through longer term adjustments to different ways of working and the tools required e.g., digital services and reach for the most vulnerable and isolated people.
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Objective 2: Volunteering: Support for volunteers and the volunteering infrastructure in County Durham (groups and organisations that work with volunteers, mutual aid groups, individual volunteers supporting the Covid vaccination and testing programmes, and local community action)

Priorities	<ul style="list-style-type: none">• Consolidating our on-line Volunteering Platform for recruiting volunteers and promoting opportunities,• Tracking and supporting mutual aid groups with advice, funding and access to resources and training,• Supporting organisations working with volunteers, with advice and training.• Collaboration with partners to coordinate a voluntary support offer for people struggling under Covid restrictions,• Establishing, recruiting and managing a volunteer bank to assist with Covid vaccination and testing programmes.• To ensure that volunteer involving organisations have the resources and skills they need to support volunteers and their beneficiaries safely and in full compliance with their legal obligations.
Achievements	<ul style="list-style-type: none">• 1,270 new volunteers were supported via the Centre for Volunteering, with advice, information, and guidance, an increase of 381 from the previous year.• 365 volunteers were recruited and received induction training between January and March 2021, specifically to support the vaccination and testing programmes.• We migrated training and support sessions on-line and provided good practice support for organisations which are run by, and support volunteers in: remote working practices, safeguarding, volunteer recruitment (in a pandemic) and supporting younger volunteers. Specific developmental sessions included volunteers and the law and safeguarding.• The Volunteer Co-ordinators forum ended the year with a membership of 270 organisations that work with volunteers. We organised and hosted 4 meetings of the Forum on-line, attracting increased participation from the membership.

DURHAM COMMUNITY ACTION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Objective 2: Volunteering (continued): Support for volunteers and the volunteering infrastructure in County Durham (groups and organisations that work with volunteers, mutual aid groups, individual volunteers supporting the Covid vaccination and testing programmes, and local community action)

Achievements	<ul style="list-style-type: none">• During national Volunteers Week in June 2020, DCA organised a series of on-line networking activities and training, with a particular focus on volunteer trustees.• We continued to inform and consult with the VCS Safeguarding Network and providing representation on both the Children and Adult Safeguarding Boards in County Durham. Contributions from the Network are fed through to Safeguarding Board meetings and training events, helping to inform and shape resources.• We sustained contact and support for 108 mutual aid groups across County Durham, picking up messages from their contacts with vulnerable people, assisting with micro grants to purchase supplies (food and activities for households in need) and with advice and information about scams and scam alerts.
Public benefit	<ul style="list-style-type: none">• As a result of this work, volunteer involving organisations in County Durham are more effectively networking, sharing good practice, and offering mutual support for tackling and finding solutions to problems.• There is an increased and more diverse range of opportunities for volunteering and an increase in the diversity and range of people volunteering their time because of furloughs or unemployment.• There are improved pathways for volunteers to access opportunities, develop their experience and make contributions that are both valued and add value to civil society.• There is now a robust and efficient system of communication and collaboration between front line staff in the NHS and VCS with respect to recruitment, support, and placements for volunteers.• Volunteer led groups and organisations have support and ready access to advice and help when they need it. They are better informed and have the resources to hand that help them to ensure that their volunteers are well trained and supported.

Objective 3 - Voice: Representing and championing the VCS (Voluntary & Community Sector) voice, through the range of strategic multi sector partnerships, and through continuing reviews of partnership working across the sector.

Priorities	<ul style="list-style-type: none">• Health and wellbeing - to sustain and ensure a social and community infrastructure is in place as we emerge from lockdown,• Consulting the VCS organisations and service providers to build stronger local connections with Primary Care Networks and supporting planning for revised Social Prescribing models post Covid.• Consulting, surveying, and analysis of intelligence gathered from the VCS and disseminating it through partnerships.• Representing community and voluntary sector interests as a member of the Covid Community Cell and various Task groups (Funding and Volunteering) and as a member of the Board of the County Durham Partnership. This enables DCA to collaborate with public sector colleagues to promote joined up policy for commissioning and funding, engaging with communities of interest in the development of new funding programmes, and influencing the provision of key services by engagement with Heads of Services.• Consulting and surveying VCS service providers to gather and share intelligence about needs and issues arising from support work in the community. Disseminating important information and best practice through multi sector partnerships.• Ensuring that the VCS is fully engaged with co-production on responsive services to support mental health, access to advice providers and health care.
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DURHAM COMMUNITY ACTION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Objective 3 – Voice (continued): Representing and championing the VCS (Voluntary & Community Sector) voice, through the range of strategic multi sector partnerships, and through continuing reviews of partnership working across the sector.

Priorities	<ul style="list-style-type: none"> Ensuring that Advice in County Durham and 'Better Together' are mobilised to share insights and experience, as networks of countywide VCS and specialist providers. Chairing and supporting the review and development of the Advice in County Durham multi-agency network as the 'go to' practitioner network for all agencies to come together and join up services. Network members provide advice and one to one casework support across County Durham.
Achievements	<ul style="list-style-type: none"> During the year, DCA continued to Chair the Better Together Network, including two policy Forums, and the Advice in County Durham Partnership. We also continued to contribute to the County Durham Partnership Board from a VCS perspective. These roles have helped to inform strategic agendas for partnership working in County Durham, and for emerging new models of commissioning services. DCA designed, coordinated, wrote up and disseminated three surveys in the early part of the year, to track how the sector was faring under Covid restrictions and any contingency planning, which could be shared with the Voluntary Emergency Liaison Group (VELG). Representing the sector on the Regional Funders Network, we helped inform and shape funders approaches to supporting the sector through the Covid crisis. Working in collaboration with the County Durham Community Foundation, we also administered a micro grants scheme to support mutual aid groups with supplies, and a small grant scheme for community buildings. Developed ideas and a paper for a Connector Model for commissioners, to target funding into the VCS more effectively, and proofed the strategy to be responsive to Covid impacts. We represented VCS interests in both the Funding and Volunteering Covid Task Groups, working with partners from the local authority and health to coordinate communications, resources and reach into communities and responding to local needs. We also represented the VCS into the Covid Community Cell for County Durham, providing regular updates on issues and impacts for the sector. Co-ordinating and managing information exchanges for the VCS and health & social care providers about good practice particularly in rural areas, regarding social isolation, health, and wellbeing services. DCA brokered 3 sets of funding via Service Level Agreements commissioned by Stanley Town Council, Derwentside Area Action Partnership and Spennymoor Area Action Partnership on behalf of a partnership of organisations (Citizens Advice and Money Advice) to collaborate in providing money and debt advice services in Stanley, Consett and Spennymoor. Led by DCA, the Advice in County Durham Partnership also carried out risk assessments and development of a governance model for the Advice Partnership, so that partners are robust enough to manage future investment opportunities, together with any future resultant conflicts of interest that may arise.
Public benefit	<ul style="list-style-type: none"> Voluntary and community sector led partnerships are collaborating to shape community services so they can be responsive to the impacts of the Covid pandemic. This in turn ensures that the voluntary sector is actively engaged and represented within key public sector led networks. Collaborative coalitions are working to influence the design and delivery of public service contracts. Front line VCS organisations are better informed and trained about the issues that affect them and the people they work with. Funding and investment into the VCS are becoming more responsive, streamlined, and targeted, and is more enabling in terms of sustaining a community infrastructure through the pandemic. The VCS in County Durham has a strong representational base that is influencing the ways in which public services are shaped.

FINANCIAL REVIEW

Result

The result for the financial year ended 31 March 2021 showed a surplus of £142,258, compared to a surplus of £82 in 2020. This was split between a £42,688 unrestricted surplus from the charity's core activities, and a surplus of £99,570 on its restricted activities.

The surplus on restricted funds relates to year-on-year differences in the timing between funds being received and expended on project activity. The surplus in our day-to-day activities was encouraging, especially when viewed in the context of the substantial operational challenges posed by the Covid-19 pandemic.

At the start of the year in April, and at a time when the first period of Covid lockdown was commencing, funders and partners adopted pragmatic policies to ensure the VCS remained sufficiently resourced to continue with community support activities. We were able to secure a portfolio of funding for the year at an early stage, together with additional offers of funding to enable extra activity and reach, and for adjustments to remote and on-line models of working with our partners.

This, combined with a proven track record of delivery, enabled us to continue attracting and delivering additional fully funded activities using our existing staff resources. We were also able to plan ahead for additional staff resources to meet increasing levels of need and developing work to adapt and design new systems for joined up working between the VCS and public sector services.

FINANCIAL REVIEW

Financial procedures

Our financial planning follows an annual cycle, linked into the business planning and reporting rounds. The draft annual budget for organisational core costs is usually set by the Board of Trustees at the start of each financial year. Income and projected expenditure for programmes / projects and work streams during the year are factored into the budget.

The charity operates an accounting system that ring fences project / programme funding within the accounts, ensuring that monitoring and auditing systems are transparent. The Executive Committee undertakes regular monitoring of the budget on a bi-monthly basis.

Durham Community Action's accounts are subject to a full external inspection on an annual basis. The charity complies with Charity Law by lodging all accounts with the Charities Commission. The accounts are authorised and approved by the Board of Trustees and presented to members for adoption at the Annual General Meeting each Autumn.

We aim to maintain a diverse portfolio of funding sources. Forms of investment in services are also varied and include a balance of income from grants, contracts, commissions and earned income. Sources of funding include:

- Charitable Trusts: County Durham Community Foundation
- Government: Defra
- Health (CCG's)
- Local Authorities: Durham County Council, Police, Crime Victims Commissioner's Office
- National Lottery Community Fund

Details of incoming resources for project-based activities are listed in Note 4 to the accounts (page 23).

Surplus cash balances are invested on deposit to earn interest at the best available rate having due regard to the balance between risk and reward.

DURHAM COMMUNITY ACTION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Investment policy and objectives

Under the Memorandum and Articles of Association, the Trustees have the power to deposit or invest funds in any manner, including establishment of a trading arm (but to invest only after obtaining advice from a financial expert and having regard to the suitability of investments and the need for diversification). They have adopted a conservative policy on depositing funds and choose only low risk deposits.

Volunteers

The charity provides a comprehensive range of services that promote and support volunteering across County Durham. These services are provided through a Volunteer Centre (County Durham Volunteering). The priorities and achievements for volunteering services are set out in Objective 2 above.

The charity's work is directly supported through the Trustees, all of whom are volunteers. The recruitment and management of casual volunteers is handled through the Volunteer Centre, and there are appropriate policies, procedures, and agreements in place to cover both their recruitment, and their roles and engagement with the charity's staff and work.

Our primary role regarding volunteers in any setting, is one of brokerage and advice. We support groups and organisations in the VCS to recruit and support volunteers and provide training and resources to ensure that they have compliant policies and procedures in place. Significantly, we provide training, resources, guidance, and advice about Safeguarding for volunteers and for VCS beneficiaries.

The charity's work is directly supported through the Trustees, all of whom are volunteers. The recruitment and management of casual volunteers is handled through the Volunteer Centre, and there are appropriate policies, procedures, and agreements in place to cover both their recruitment, and their roles and engagement with the charity's staff and work.

DURHAM COMMUNITY ACTION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

Reserves policy

At 31 March 2021, the Charity's free reserves were £287,449 with an additional £166,892 held in restricted funds that are ring fenced to support specific projects.

The Trustees have forecast that the level of free reserves required to sustain the operations of the charity will be equivalent to a minimum of six months' core costs and redundancy costs, being organisational, management and administrative support costs. Details are provided in the table below:

Description	Amount
Total reserves	£460,330
Comprising:	
Restricted funds (ring fenced to support specific projects)	£166,892
Unrestricted funds (see note 16)	£293,438
Less fixed assets	(£5,989)
Free reserves	£287,449
Free reserves are ring-fenced for the following:	
Six months' core costs and estimated redundancy costs	£146,896
Provision of services in 2021-22	£140,553
Total	£287,449

The Trustees recognise the changing landscape for funding and investment into the charity's work. They have looked closely at the factors that influence change, in particular the shifting landscape for funding post Coronavirus, and the opportunities and challenges it will place for us. Trustees take into consideration how changes in funding regimes and access to funding may affect the priorities and future of the organisation e.g., partnership working, changes in professional networks and public policy, reductions in funding for public services, uncertainty about new programmes, and the potential impacts of national or strategic policy changes. The Trustees review the Reserves Policy on an annual basis.

REVIEW OF 2020/2021 & FUTURE PLANS

The charity will continue to adapt and respond in a manner that is designed to meet our primary objectives. Objectives are reviewed annually, on the basis of shared intelligence with our colleagues and partners in the VCS, and with regard to an evolving face of public services, local government, and policy. Development work will be maintained over the coming year with colleagues and stakeholders relating to shaping our work, so that our priorities are focused on needs and making positive impacts.

As set out in the Reserves Policy, the Trustees have considered the implications for an estimated protracted period of uncertainty, that will be exacerbated by the continuing uncertainty of recovery and rebuilding civil society in the aftermath of Coronavirus. Since the emergence of the Coronavirus pandemic, Senior Management and Trustees have been pro-active in dialogue with funders and commissioners, particularly with regard to collaborating on a more robust system for informing commissioners where there are needs arising and working with the VCS to target resources more effectively.

At the start of the year, DCA was awarded a three-year Grant Funding Deed, via a partnership with the CCG and Durham County Council, including Public Health, to work with the CCG and County Council in development of a "Connector Model". This is intended to enable a more collaborative and trust-based approach to funding the sector in County Durham.

In the first half of the year, we accessed Durham County Council's business grant support scheme, secured additional grant funding from the Communities Fund, and County Durham Community Foundation, and took advantage of an office rent holiday. This helped to conserve cash to support the charity during the depths of first lockdown period and is continuing through the pandemic.

The temporary office closure has also resulted in cost savings on day to day running costs. Demand for the charity's services has never been higher, and with sufficient cash resources available to support activities throughout 2020/2021, the decision was taken not to furlough any staff through the Government's Coronavirus Employment Retention Scheme. Given the continuing difficulties in planning ahead, DCA's Trustees are continuing to meet on a bi-monthly basis, to review budgets, cashflows and to act if required in order to continue within the parameters of the agreed budget. DCA will also explore opportunities to secure additional funding that are considered to be a comfortable fit with the charity's remit and forward work plan.

DURHAM COMMUNITY ACTION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Durham Community Action Limited is a company limited by guarantee and does not have share capital. The charity is governed by Memorandum and Articles of Association that were adopted on 17 October 2013.

The charity is registered with the Charity Commission. Membership is open to any individual or organisation that meets the criteria specified in the Memorandum and Articles of Association.

Recruitment and appointment of new trustees

The Trustees as charity trustees have control of the Charity and its property and funds, however there is no individual exercising significant control (PSC). There must be a minimum of five Trustees and a maximum of 20 Trustees.

All the charity's Trustees are volunteers and provide their time freely. Expenses are offered to cover travel costs. Trustees attending appropriate conferences and networking activities for the charity may also be reimbursed for travel costs, conference fees and occasional accommodation when an overnight stay is necessary. No Trustees benefit financially, contractually, or materially from their roles.

During this year, we recruited two new Trustees to our Board, with a further three new Trustees joining the board after the year end. They have been working with the senior management team to review and refresh our policies and procedures and carry out a review of our Business Continuity Plan.

Induction and training of new trustees

New Trustees undergo orientation meetings to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Executive Committee and decision-making process, the business plan and recent financial performance of the charity. During the induction process they meet key employees and other Trustees. All Trustees are encouraged to attend appropriate external and internal training events.

Officers

The honorary posts of Chair, Vice-Chair and Treasurer are elected by serving Trustees immediately after the Annual General Meeting.

Organisation

Currently membership of the Board of Trustees stands at 11. The Executive Committee meets bi-monthly, and on an ad hoc basis if the necessity arises. There is the facility to establish ad hoc task and finish sub-groups.

Key management remuneration

The Trustees hold overall responsibility for management of the organisation, its assets, staff, and funds. Responsibility for day-to-day management of the organisation, finance, employment of staff, and for providing support and resources to the Trustees to enable strategic planning, is delegated to the Executive Director. She is appointed by the Trustees to manage the operations of the charity and is an employee of the company. Despite the title, the Executive Director is neither a Director of the Company nor a Trustee of the Charity.

The Executive Director manages the charity through a small senior management team, comprising the Managers for Community Support, and for Volunteering. Governance and finance support are provided by an external contractor, with a good working knowledge of the business. Details of the Key Management Personnel and their costs applicable during 2020-2021 are included in note 9 (page 25).

Pay policy for senior staff

Salary scales for senior staff are determined by the Trustees, having due regard to remuneration for similar roles within the voluntary and community sector. No employee earned more than £60,000 during the year.

DURHAM COMMUNITY ACTION LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Related parties

The charity's work programme is first and foremost determined by the needs of the communities that it serves.

Wherever possible, DCA aligns its work with prevailing national, and local policies and priorities. We achieve this by working closely with a range of partners, including ACRE, County Durham Partnership, Durham County Council, the Office of the Durham Police, Crime and Victims' Commissioner, and County Durham's Clinical Commissioning Group.

DCA also works responsively with our colleagues in the voluntary and community sector within County Durham, and in various community-based networks and partnerships. As a result, close working relationships are maintained with a range of other organisations, although none meet the related parties' criteria as defined in company law:

- During 2020/21 DCA maintained a Funding Agreement with Action for Communities in Rural England (ACRE) to provide intelligence and information for Defra about particular areas of policy, as it affects rural communities on a regional and county-wide basis, with respect to economic development, housing, transport, and access to services.
- The charity maintains a strong relationship with Durham County Council and is recognised by the Council as the primary voluntary and community sector infrastructure support organisation for County Durham. This provides the council with a single conduit for public sector investment into VCS (Voluntary and Community Sector) support services. During the year DCA worked particularly closely with Public Health, both Adult and Children's Services, Environmental and the Transformation & Partnerships team at Durham County Council. County Durham Constabulary also contributed funds to support work with front line community groups and organisations.
- Physical and mental health was an important theme during 2020/21. Working with the CCG, and the Hospital Foundation Trusts, DCA developed a programme of work to support the VCS with emerging needs through the period of lockdown and in planning ahead to reinforce VCS engagement in new and emerging governance structures for primary and secondary care.
- The charity was represented on and supported a range of networks and partnerships including the County Durham Partnership Board, County Durham Economic Partnership, the Better Together VCS Forum, and the Advice in County Durham Partnership.
- The Food Durham Partnership, and the Volunteer Co-ordinators Forum (comprising 270 organisations engaged in volunteering across the North East) were amongst the networks and organisations chaired or supported by the charity during the year.

DURHAM COMMUNITY ACTION LIMITED

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

Risk management

The Executive Committee of Trustees has a risk management strategy that comprises:

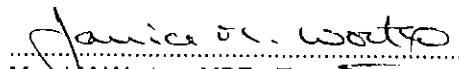
- A Business Continuity Plan incorporating an annual review of the risks that the charity may face.
- The establishment of systems and procedures to mitigate those risks.
- The implementation of procedures designed to minimise any potential impact on the charity should any of the risks materialise.

Key risks for the coming 2-3 years considered relevant to this report, together with mitigating actions that have already been taken, or which are planned for, are outlined in the table below.

These are also further considered as part of the Reserves allocation policy (detailed earlier), which offsets the actual and contingent liabilities of the organisation against the combined value of all unrestricted funds.

This policy allows the charity to continue to operate on a reduced basis until alternative funding arrangements can be put in place.

Approved by order of the Board of Trustees on 23 September 2021 and signed on its behalf by:


.....
Mrs J M Worters MBE - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
DURHAM COMMUNITY ACTION LIMITED**

Independent examiner's report to the trustees of Durham Community Action Limited ('the Company')
I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Association of Chartered Certified Accountants which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.



Nick Cunningham FCCA
Association of Chartered Certified Accountants
Robson Laidler Accountants Limited
Fernwood House
Fernwood Road
Jesmond
Newcastle upon Tyne
NE2 1TJ

Date: 21.10.2021

DURHAM COMMUNITY ACTION LIMITED

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	4				
Core		52,585	-	52,585	42,585
Support & Advisory		-	373,377	373,377	336,867
Community Development		-	351,478	351,478	200,465
Other trading activities	2	19,091	-	19,091	34,876
Investment income	3	<u>308</u>	<u>-</u>	<u>308</u>	<u>1,902</u>
Total		71,984	724,855	796,839	616,695
 EXPENDITURE ON					
Charitable activities	5				
Core		29,296	-	29,296	113,381
Support & Advisory		-	350,527	350,527	376,956
Community Development		-	274,758	274,758	127,176
Total		29,296	625,285	654,581	617,513
Net gains on investments		<u>-</u>	<u>-</u>	<u>-</u>	<u>900</u>
NET INCOME		42,688	99,570	142,258	82
 RECONCILIATION OF FUNDS					
Total funds brought forward		250,750	67,322	318,072	317,990
TOTAL FUNDS CARRIED FORWARD		<u>293,438</u>	<u>166,892</u>	<u>460,330</u>	<u>318,072</u>

The notes form part of these financial statements

DURHAM COMMUNITY ACTION LIMITED (REGISTERED NUMBER: 00309329)

**BALANCE SHEET
31 MARCH 2021**

	Notes	2021 £	2020 £
FIXED ASSETS			
Intangible assets	11	-	4,500
Tangible assets	12	<u>5,989</u>	<u>8,656</u>
		5,989	13,156
CURRENT ASSETS			
Debtors	13	8,412	6,699
Cash at bank and in hand		<u>543,005</u>	<u>357,326</u>
		551,417	364,025
CREDITORS			
Amounts falling due within one year	14	<u>(97,076)</u>	<u>(59,109)</u>
NET CURRENT ASSETS		<u>454,341</u>	<u>304,916</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>460,330</u>	<u>318,072</u>
NET ASSETS		<u>460,330</u>	<u>318,072</u>
FUNDS	16		
Unrestricted funds		293,438	250,750
Restricted funds		<u>166,892</u>	<u>67,322</u>
TOTAL FUNDS		<u>460,330</u>	<u>318,072</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

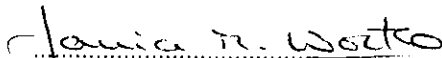
The notes form part of these financial statements

DURHAM COMMUNITY ACTION LIMITED (REGISTERED NUMBER: 00309329)

BALANCE SHEET - continued
31 MARCH 2021

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 23 September 2021 and were signed on its behalf by:


.....
Mrs J M Worters MBE - Trustee

The notes form part of these financial statements

DURHAM COMMUNITY ACTION LIMITED

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>185,371</u>	<u>(28,647)</u>
Net cash provided by/(used in) operating activities		<u>185,371</u>	<u>(28,647)</u>
Cash flows from investing activities			
Sale of fixed asset investments		-	1,000
Interest received		<u>308</u>	<u>1,902</u>
Net cash provided by investing activities		<u>308</u>	<u>2,902</u>
Change in cash and cash equivalents in the reporting period		<u>185,679</u>	<u>(25,745)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>357,326</u>	<u>383,071</u>
Cash and cash equivalents at the end of the reporting period		<u>543,005</u>	<u>357,326</u>

The notes form part of these financial statements

DURHAM COMMUNITY ACTION LIMITED

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	142,258	82
Adjustments for:		
Depreciation charges	7,167	9,572
Losses on investments	-	(900)
Interest received	(308)	(1,902)
(Increase)/decrease in debtors	(1,713)	3,073
Increase/(decrease) in creditors	<u>37,967</u>	<u>(38,572)</u>
Net cash provided by/(used in) operations	<u>185,371</u>	<u>(28,647)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20 £	Cash flow £	At 31.3.21 £
Net cash			
Cash at bank and in hand	<u>357,326</u>	<u>185,679</u>	<u>543,005</u>
	<u>357,326</u>	<u>185,679</u>	<u>543,005</u>
Total	<u>357,326</u>	<u>185,679</u>	<u>543,005</u>

DURHAM COMMUNITY ACTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value.

Statement of compliance

Durham Community Action Limited is an incorporated charity (charity number: 229119) registered in England & Wales. The registered office and other statutory information is shown on the contents page.

Durham Community Action Limited meets the definition of a public benefit entity entry under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial accounts are prepared in Sterling (£).

The company has applied the following accounting policies:

Going Concern

The financial statements have been prepared on a going concern basis. The Trustees have considered a period of 12 months from the balance sheet date and consider no further disclosures relating to the charity's ability to continue as a going concern need to be made.

Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under circumstances.

Critical accounting estimates and judgements

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results.

Critical areas of judgement

In categorising leases as finance leases or operating leases, the Trustees make judgements as to whether significant risk and rewards or ownership have transferred to the charity as lessee.

In recognising income from projects, the trustees make judgements as to whether the conditions of income have been met.

Income

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is 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 received by way of grants, donations and gifts is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.
- Rental & other income are recognised on a receivable basis
- Interest on 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

DURHAM COMMUNITY ACTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Expenditure includes VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Intangible assets

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

CRM system assets	- 25% straight line
-------------------	---------------------

Tangible fixed assets

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

Short leasehold	- 25% straight line
Fixtures and fittings	- 25% on reducing balance

Fixed assets are reviewed for impairment if events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Impairment losses are recognised immediately in the Statement of Financial Activities.

Taxation

As a charity, the company is exempt from tax on income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds 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.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Debtors and creditors

Trade debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid after taking account 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.

Cash at bank

Cash at bank includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

DURHAM COMMUNITY ACTION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES - continued

Leasing commitments

Rentals paid under operating leases are charged to the profit and loss on a straight line basis over the period of the lease.

2. OTHER TRADING ACTIVITIES

	2021 £	2020 £
Consultancy	18,475	28,287
Training and office services	616	6,589
	<u>19,091</u>	<u>34,876</u>

3. INVESTMENT INCOME

	2021 £	2020 £
Deposit account interest	<u>308</u>	<u>1,902</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Core £	Support & Advisory £	Community Development £	2021 Total activities £	2020 Total activities £
ACRE	42,585	-	-	42,585	42,585
Durham County Council	-	170,000	-	170,000	172,170
Durham Police, Crime & Victims Commissioner	-	10,000	-	10,000	10,000
Tudor Trust	-	29,290	-	29,290	29,177
Esmée Fairbairn Foundation	-	-	-	-	19,489
Communities Fund	-	-	98,049	98,049	120,507
Big Lottery Fund / European Social Fund	-	-	-	-	1,866
Stanley Town Council	-	57,500	-	57,500	87,500
Soil Association	-	-	4,000	4,000	8,051
Community Activities	-	4,144	6,290	10,434	15,006
Durham County Council Covid 19 support	10,000	-	-	10,000	-
Durham County Council Spennymoor AAP	-	21,713	-	21,713	-
County Durham CCG	-	64,236	24,000	88,236	56,000
MHLDF	-	-	106,000	106,000	-
VONNE	-	11,494	-	11,494	-
Groundwork UK	-	-	84,239	84,239	-
County Durham Community Foundation	-	5,000	28,900	33,900	17,566
	<u>52,585</u>	<u>373,377</u>	<u>351,478</u>	<u>777,440</u>	<u>579,917</u>

DURHAM COMMUNITY ACTION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support Costs £	Total £
Charitable activity costs	<u>571,671</u>	<u>82,910</u>	<u>654,581</u>
		2021	2020
		£	£
Staff costs		407,378	382,748
Consultancy		45,090	30,735
Meeting expenses		34	4,431
Stanley Town Council		57,500	87,500
Grants to small communities		39,956	2,716
Spennymoor Town Council		<u>21,713</u>	-
		<u>571,671</u>	<u>508,130</u>

6. SUPPORT COSTS

	2021	2020
	£	£
Marketing and promotion	1,623	6,990
Cleaning and welfare	1,849	4,913
Electricity and gas	4,648	3,255
Repairs and renewals	2,332	2,302
Insurance	2,743	3,321
Rents payable	27,109	27,941
Water	844	919
Travel costs	251	9,568
Staff training	1,216	12,340
Printing, postage and telephone	5,918	6,825
Computer costs	11,601	5,035
Publications and subscriptions	1,600	4,025
Sundries	373	969
Independent examiners fees	3,360	4,740
Legal fees	10,276	6,668
Depreciation of tangible fixed assets	<u>7,167</u>	<u>9,572</u>
	<u>82,910</u>	<u>109,383</u>

DURHAM COMMUNITY ACTION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation - owned assets	2,667	5,072
CRM system assets amortisation	4,500	4,500
Independent examination fee	3,360	4,740
Operating lease rentals	<u>27,109</u>	<u>28,986</u>

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no Trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no Trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

9. STAFF COSTS

Staff costs were as follows:

	2021	2020
	£	£
Salaries and wages	362,817	340,271
Social security costs	30,321	27,641
Pension costs	14,240	12,895
Restructuring costs	<u>-</u>	<u>1,941</u>
	<u>407,378</u>	<u>382,748</u>

Staff restructuring costs comprise redundancy payments of £nil (2020: £1,941).

The average monthly number of employees during the year was as follows:

	2021	2020
Executive director	1	1
Field workers	13	12
Administration	<u>1</u>	<u>1</u>
	<u>15</u>	<u>14</u>

No employees received emoluments in excess of £60,000.

During the year, the amount paid to key management totalled £133,584 (2020: £121,861).

DURHAM COMMUNITY ACTION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Core	42,585	-	42,585
Support & Advisory	-	336,867	336,867
Community Development	-	200,465	200,465
Other trading activities	34,876	-	34,876
Investment income	<u>1,902</u>	<u>-</u>	<u>1,902</u>
Total	79,363	537,332	616,695
EXPENDITURE ON			
Charitable activities			
Core	71,906	41,475	113,381
Support & Advisory	21,353	355,603	376,956
Community Development	<u>20,122</u>	<u>107,054</u>	<u>127,176</u>
Total	113,381	504,132	617,513
Net gains on investments	<u>-</u>	<u>900</u>	<u>900</u>
NET INCOME/(EXPENDITURE)	(34,018)	34,100	82
RECONCILIATION OF FUNDS			
Total funds brought forward	284,768	33,222	317,990
TOTAL FUNDS CARRIED FORWARD	<u>250,750</u>	<u>67,322</u>	<u>318,072</u>

11. INTANGIBLE FIXED ASSETS

	CRM system assets £
COST	
At 1 April 2020 and 31 March 2021	<u>18,000</u>
AMORTISATION	
At 1 April 2020	13,500
Charge for year	<u>4,500</u>
At 31 March 2021	<u>18,000</u>
NET BOOK VALUE	
At 31 March 2021	<u>-</u>
At 31 March 2020	<u>4,500</u>

DURHAM COMMUNITY ACTION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

12. TANGIBLE FIXED ASSETS

	Short leasehold £	Fixtures and fittings £	Totals £
COST			
At 1 April 2020 and 31 March 2021	<u>9,539</u>	<u>52,955</u>	<u>62,494</u>
DEPRECIATION			
At 1 April 2020	8,944	44,894	53,838
Charge for year	<u>595</u>	<u>2,072</u>	<u>2,667</u>
At 31 March 2021	<u>9,539</u>	<u>46,966</u>	<u>56,505</u>
NET BOOK VALUE			
At 31 March 2021	<u>-</u>	<u>5,989</u>	<u>5,989</u>
At 31 March 2020	<u>595</u>	<u>8,061</u>	<u>8,656</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other debtors	1,106	-
Prepayments and accrued income	<u>7,306</u>	<u>6,699</u>
	<u>8,412</u>	<u>6,699</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Accruals and deferred income	<u>97,076</u>	<u>59,109</u>

Included in accrued expenses is deferred income totalling £63,952 (2020: £54,189) which represents incoming resources for project income received in advance of entitlement.

Deferred Income

	2021 £	2020 £
Balance at 1 April	54,189	89,169
Amounts released to incoming resources	(54,189)	(89,169)
Amounts deferred in the year	<u>63,952</u>	<u>54,189</u>
Balance at 31 March	<u>63,952</u>	<u>54,189</u>

DURHAM COMMUNITY ACTION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
Fixed assets	5,989	-	5,989	13,156
Current assets	384,525	166,892	551,417	364,025
Current liabilities	(97,076)	-	(97,076)	(59,109)
	<u>293,438</u>	<u>166,892</u>	<u>460,330</u>	<u>318,072</u>

16. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	250,750	42,688	293,438
Restricted funds			
Community Growing Development Fund	2,091	(2,091)	-
Community Hubs Project	40,353	(4,402)	35,951
Food Durham Strategy & Governance Development	22,073	(22,073)	-
County Durham Volunteer Gateway	2,805	(2,805)	-
Sustainable Food Places Phase 3	-	1,217	1,217
Sport England TIF Fund	-	646	646
MHLDF Right Care Right Place Support	-	106,000	106,000
Covid-19 Vaccination Centre	-	23,078	23,078
	<u>67,322</u>	<u>99,570</u>	<u>166,892</u>
TOTAL FUNDS	<u>318,072</u>	<u>142,258</u>	<u>460,330</u>

DURHAM COMMUNITY ACTION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

16. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	71,984	(29,296)	42,688
Restricted funds			
Durham County Council Infrastructure	180,000	(180,000)	-
Community Growing Project	29,290	(29,290)	-
Community Growing Development Fund	-	(2,091)	(2,091)
Voluntary & Community Sector Engagement	64,236	(64,236)	-
Veg Cities	5,000	(5,000)	-
Advice Services in Stanley	57,500	(57,500)	-
Community Hubs Project	98,049	(102,451)	(4,402)
Food Durham Strategy & Governance Development	-	(22,073)	(22,073)
County Durham Volunteer Gateway	-	(2,805)	(2,805)
Safeguarding Training Fund	11,494	(11,494)	-
Community Led Homes Enabler Hub Project	84,239	(84,239)	-
Covid-19 CDCF Guidance & Advice	5,000	(5,000)	-
Covid-19 CDCF Volunteering	3,900	(3,900)	-
Spennymoor Advice Hub	21,713	(21,713)	-
Sustainable Food Places Phase 3	4,000	(2,783)	1,217
CDCF Winter Resilience Fund	25,000	(25,000)	-
Sport England TIF Fund	2,434	(1,788)	646
MHLDF Right Care Right Place Support	106,000	-	106,000
Covid-19 Vaccination Centre	24,000	(922)	23,078
NAVCA VCS Emergencies Partnership	3,000	(3,000)	-
	<u>724,855</u>	<u>(625,285)</u>	<u>99,570</u>
TOTAL FUNDS	<u>796,839</u>	<u>(654,581)</u>	<u>142,258</u>

DURHAM COMMUNITY ACTION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	284,768	(34,018)	250,750
Restricted funds			
Hallmark Scheme	278	(278)	-
County Durham Food Partnership	1,231	(1,231)	-
Durham County Council Infrastructure	460	(460)	-
Fuel Poverty Fund	18,631	(18,631)	-
Wellbeing for Life	1,811	(1,811)	-
Community Growing Project	1,932	(1,932)	-
County Durham Volunteering Celebration	13	(13)	-
Community Growing Development Fund	2,490	(399)	2,091
Reaching Out Across Durham	1,577	(1,577)	-
Durham Local Food Hub	1,070	(1,070)	-
Healthy Communities - Gilesgate			
Edible Estates	3,729	(3,729)	-
Community Hubs Project	-	40,353	40,353
Food Durham Strategy & Governance Development	-	22,073	22,073
County Durham Volunteer Gateway	-	2,805	2,805
	<u>33,222</u>	<u>34,100</u>	<u>67,322</u>
TOTAL FUNDS	<u>317,990</u>	<u>82</u>	<u>318,072</u>

DURHAM COMMUNITY ACTION LIMITED

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

16. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	79,363	(113,381)	-	(34,018)
Restricted funds				
Hallmark Scheme	-	(278)	-	(278)
County Durham Food Partnership	-	(1,231)	-	(1,231)
Durham County Council Infrastructure	180,000	(180,460)	-	(460)
Fuel Poverty Fund	-	(18,631)	-	(18,631)
Wellbeing for Life	-	(1,811)	-	(1,811)
Community Growing Project	29,135	(31,067)	-	(1,932)
County Durham Volunteering Celebration	3,647	(3,660)	-	(13)
Community Growing Development Fund	2,091	(2,490)	-	(399)
Reaching Out Across Durham	1,866	(3,443)	-	(1,577)
Durham Local Food Hub	19,489	(21,459)	900	(1,070)
Healthy Communities - Gilesgate Edible Estates	17,566	(21,295)	-	(3,729)
Crook Hall Community Development Project	(356)	356	-	-
Voluntary & Community Sector Engagement	56,000	(56,000)	-	-
Community Learning	2,754	(2,754)	-	-
Club Durham Programme	5,200	(5,200)	-	-
SFC Co-ordination Fund	5,632	(5,632)	-	-
Veg Cities	2,896	(2,896)	-	-
Advice Services in Stanley	87,500	(87,500)	-	-
Community Hubs Project	66,579	(26,226)	-	40,353
Food Durham Strategy & Governance Development	48,202	(26,129)	-	22,073
County Durham Volunteer Gateway	3,405	(600)	-	2,805
Safeguarding Training Fund	5,726	(5,726)	-	-
	<u>537,332</u>	<u>(504,132)</u>	<u>900</u>	<u>34,100</u>
TOTAL FUNDS	<u>616,695</u>	<u>(617,513)</u>	<u>900</u>	<u>82</u>

Unrestricted funds

The General reserve represents the free funds of the charity, which are not designated for particular purposes.

Restricted Funds

Comprises income to be used for specific projects. Restricted funds may have negative balances at the year-end if a claim for funding is due to be submitted but staff costs have occurred constantly throughout the project. Further explanations on each restricted fund are below:

Advice Services in Stanley

Agency arrangement to receive and disburse funding for the provision of Advice in County Durham Services to the community in Stanley.

DURHAM COMMUNITY ACTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

16. MOVEMENT IN FUNDS - continued

CDCF Winter Resilience Fund Cree Network Project

Funding from County Durham Community Foundation to support the Cree network through the Covid-19 pandemic, ensuring the continuation of services to support the health and wellbeing of participants.

Community Growing Development Fund

Development fund to support the community growing schemes project.

Community Growing Project

Creating a network of new and diverse community growing schemes that will help to improve access to fresh vegetables, herbs and fruit. Supported by the Tudor Trust, County Durham Community Foundation and Durham County Council (Derwent Valley and Durham City Area Action Partnerships).

Community Hubs Project

National Lottery funded 3 year project to develop community hubs.

Community Led Homes Enabler Hub Project

Durham Community Action was the lead agency for Community Homes on the Map for the south of Tyne area. The funding paid for specialist staff to help community led housing initiatives, and to broker technical help and expertise as required.

County Durham Volunteer Gateway

Development of a volunteering platform and associated training activities and materials.

Covid-19 CDCF Guidance & Advice

Provision of guidance and advice to community groups and organisations during the Covid-19 pandemic, and support for other organisations to do so professionally.

Covid-19 CDCF Volunteering / Mutual Aid

Supporting newly emerging Covid-19 volunteer groups with specialist information, advice and guidance, and access to micro grants that enable best practice volunteering and support.

Covid-19 Vaccination Centre Volunteer Expenses

Administration of a fund to provide travel expenses to volunteers assisting at Covid-19 vaccination and lateral testing centres.

Crook Hall Community Development Project

This project is funding a part-time worker to provide community development support for the Crook Hall Community Association, near Consett. The Worker is supporting a range of activities including governance, funding and business plan development

Durham County Council Infrastructure

Grant funding agreement with Durham County Council for the provision of support services to the Voluntary & Community Sector across County Durham.

Food Durham Strategy & Governance Development

Lottery funding to develop the Food Durham Partnership and Local Food Strategy.

MHLDF Right Care Right Place Community Resilience Support

Provision of funding to the VCSE to support the provision of services that address community mental health needs.

NAVCA VCS Emergencies Partnership

Provision of local intelligence and knowledge to NAVCA re volunteering during Covid-19.

Safeguarding Training Fund

Collaborative safeguarding training initiative delivered as a regional partnership across Durham, Northumberland, Tees Valley & Tyneside co-ordinated by VONNE.

DURHAM COMMUNITY ACTION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

16. MOVEMENT IN FUNDS - continued

Spennymoor Advice Hub & Outreach Service

Development of a welfare advice hub in Consett with Durham Community Action acting as an agent to receive and distribute income from Derwent Valley AAP to the Advice in County Durham Partnership.

Sport England Gypsy Romany Travellers TIF Fund

Administration of a fund to provide sports / training equipment to support and promote the health and wellbeing of the Gypsy, Romany & Traveller community within County Durham.

Sustainable Food Places Phase 3 Good Food Movement

Pilot Soil Association funded initiative to develop an online 'Community Good Food Forum' that will engage the public to facilitate greater involvement in good food, new partnerships, information sharing and policy influencing.

Veg Cities

Working with local authorities, food groups and organisation to encourage local people to grow, cook and sell more vegetables. Funded through Phase 3 of the Sustainable Food Cities programme supported by Esme Fairbairn Foundation.

Voluntary & Community Sector Engagement Project

Working with Durham Dales, Easington & Sedgefield Clinical Commissioning Group, and the North Durham Clinical Commissioning Groups to provide VCS engagement into the integration of health and social care agenda. An adjustment for staff costs will be made at year end.

17. RELATED PARTY DISCLOSURES

Mr John Robinson was an elected member of Durham County Council when DCA's three-year grant funding deed was approved, however he was not involved in the decision to grant funding. There were no related party transactions for the year ended 31 March 2021 nor for year ended 31 March 2020.

18. ULTIMATE CONTROLLING PARTY

The charity is under the control of the board of trustees.

19. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £10.

20. RETIREMENT BENEFITS

Durham Community Action participates in The Pension Trust's Flexible Retirement Plan, a defined contribution scheme. The plan is funded and contracted out of the state scheme.

The assets of the scheme are held separately from those of the charity in an independently administered fund. The contributions payable by the charity expensed to income and expenditure amounted to £14,240 (2020: £12,895). No contributions were due at either the current or prior year end.