

**Charity Registration No. 1115741**

**Company Registration No. 5750186 (England and Wales)**

**DAI UK**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2019**

# DAI UK

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr R Willison Mr J A Flewitt Mr I M Derbyshire Mr C J Matthews (Chair) Mr J S Rogers	(Appointed 23 January 2020)
<b>Charity number</b>	1115741	
<b>Company number</b>	5750186	
<b>Registered office and Principal office</b>	25 Gordon Road Windsor Berkshire SL4 3RG	
<b>Independent examiner</b>	Frances Wilde FCCA DChA Warner Wilde Chartered Certified Accountants 4 Marigold Drive Bisley Surrey GU24 9SF	
<b>Bankers</b>	Barclays Bank PLC Town Gate House Church Street East Woking Surrey GU21 6XW	
<b>Solicitors</b>	Lawson Lewis Blakers 11-12 Hyde Gardens Eastbourne East Sussex BN21 4PP	
<b>Accountants</b>	Elizabeth Sanders Limited 25 Gordon Road Windsor Berkshire SL4 3RG	

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# DAI UK

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## DAI UK

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) *(continued)*

#### YEAR ENDED 31 DECEMBER 2019

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The Trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the company for the year ended 31 December 2019.

#### REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the Board and professional advisers.

#### THE TRUSTEES

The Trustees who served the company during the period were as follows:

Mr I M Derbyshire  
Mr J A Flewitt  
Mr C J Matthews  
Rev P Simpson (resigned 23 January 2020)  
Mr R Willison  
Mr J Rogers (appointed 23 January 2020)

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing Document

DAI UK is a charitable Company Limited by Guarantee. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £10. DAI UK is part of the worldwide ministry of Development Associates International whose Head Office is in Colorado Springs USA.

##### Recruitment and Appointment of the Board of Directors (Trustees)

The Directors of the company are also Charity Trustees for the purposes of charity law and under the company's Articles are known as members of the Board of Directors. The Memorandum and Articles of Association require that at each annual general meeting, one third of the Trustees retire by rotation and may, if eligible, offer themselves for re-election.

Trustees bring a variety of skills to the Board including, business & mission management, marketing experience, financial management, current first-hand knowledge of international issues, local UK Church supporter knowledge, charity management and charity law experience.

The Board continues to keep its work and composition under review and to ensure that the composition of the Board remains adequate to ensure the strategic development of the company's work and proper oversight of its operations and continues to maintain a "Board Diversity, Experience and Skills inventory", developed in 2014, to identify strategic gaps in its composition.

Any new Directors (Trustees) who may be recruited are likely to be sought from people known to the Board, the Chief Executive or senior staff of the ministry who can provide the necessary specialist skills and experience to ensure the proper working of the Board and the development of DAI UK's ministry.

##### Trustee Induction and Training

The Board has approved a document setting out the Role and Responsibility of Board Members and a copy of this is given to new Trustees, together with a copy of the Memorandum and Articles of Association of the company and a copy of the Charity Commission's booklet "The Role and Responsibility of Charity Trustees". New Trustees are encouraged to spend some time with the Chief Executive and other members of the senior staff to gain a proper understanding of DAI's work and of the Chief Executive's specific responsibilities. The need for Trustee training is kept under review and appropriate training will be undertaken if the need is identified.

The Board has approved a policy which encourages Board members to accompany senior staff of the charity on specific training sessions in the UK or overseas, in order to deepen their understanding of DAI's work or to take part in teaching in DAI courses.

The Chief Executive continues to keep the Board well informed on a whole range of matters concerning DAI internationally and the curriculum development and teaching ministry which has been the primary focus of DAI UK's ministry.

## DAI UK

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) *(continued)*

#### YEAR ENDED 31 DECEMBER 2019

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##### **Risk Management**

The Trustees have considered the major risks facing the charity and the steps already in place to mitigate those risks. The review carried out each year records the risks identified, the steps in place to mitigate those risks and any actions required to further improve risk management.

Procedures are in place to safeguard the health and safety of staff and volunteers with special attention given to the assessment of the risks both staff and volunteers face when travelling to areas of the world with known higher risks. DAI's Risk Policy document sets out the Board's attitude to risk, the organisation and responsibility for managing health and safety matters as well the specific arrangements for dealing with problems should they arise. Internal control risks are minimised by the implementation of appropriate systems and procedures including the segregation of authorisation of expenditure and payments.

DAI UK is still dependent on Development Associates International for a significant part of its funding. During 2019, the Board had limited success with its fundraising initiatives and failed to make significant progress towards the ultimate objective of making DAI UK a net contributor of resources to the worldwide ministry of DAI.

The Company's Reserves Policy has been formulated so that monies held in reserve are generated from UK giving.

##### **Organisational Structure**

2019 has been a transition year for DAI UK. Although John Rogers officially retired in August 2018, he continued to oversee the work of the charity as Chief Executive until December 2019 in a voluntary capacity. There were no staff employees of DAI UK during 2019, although Liz Taylor served as a Consultant to research and provide advice on a project to explore the viability of DAI UK providing leadership training to leaders of diaspora communities in the UK. Meanwhile, DAI UK has continued to support projects sponsored by DAI's global ministry.

Currently the Board of Directors (Trustees) is drawn from a variety of professional and charity backgrounds relevant to the work of the charity.

##### **Related Parties**

Development Associates International (DAI) provides the corporate identity for DAI's work worldwide. DAI also provides a significant part of the funding for DAI UK at this time.

##### **OBJECTIVES AND ACTIVITIES**

We have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities, in particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The company's objects and principal activities are to use all the resources at its disposal for religious, educational and charitable purposes and specifically to enhance the effectiveness and integrity of Christian leaders worldwide by providing leadership development training courses, management consultancy and mentoring.

These objectives are met through four core functions as follows:

##### **Education**

DAI provides training and education uniquely geared to the needs of Christian leaders and trainers in Africa, Asia, Latin America, the Middle East, parts of Europe and Russia. These programmes are made accessible in a variety of formats but mainly through training Workshops and distance learning. DAI provides a variety of leadership training courses in three main formats:

- Non-Formal Education: Workshops on a variety of Christian leadership issues including servant leadership, mentoring, strategic management, fundraising and training of trainers.
- Formal Education through the well-established MA Degree in Organisational Leadership which is currently being taught in partnership with Christian universities and seminaries in 18 countries in Africa and Asia. This is a three year, part-time, distance learning degree course with bi-annual residential learning opportunities (Residencies) for students.
- Online Education through the DAI Institute - DAI's online learning platform - launched in 2016. Seven courses, broadly based on the content of our Non-formal Workshops, are currently available.

##### **Mentoring**

DAI helps experienced leaders to share their knowledge and skills with new and emerging leaders by providing them with training and support so they can help younger leaders apply what they are learning to their own lives and work.

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## DAI UK

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (*continued*)

#### YEAR ENDED 31 DECEMBER 2019

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##### **Consulting**

DAI provides short-term management consultancy to leaders and their organisations to help them find the right solutions to the challenges they face in terms of organisational development, financial management, adult-learning and research and evaluation.

##### **Connecting**

DAI works together with other organisations and their leaders to develop leadership training and development programmes to meet their organisational needs. DAI also works in partnership with similar ministries to create and deliver leadership development programmes for others. DAI is committed to fostering partnership working between other organisations to meet their goals.

DAI UK has been involved in providing input for these activities specifically by creating curriculum teaching materials, providing training for DAI staff, teaching within DAI's established MA Degree programme and building adult learning skills in leaders and trainers of partnering organisations.

##### **ACHIEVEMENTS AND PERFORMANCE: INTERNATIONAL OVERVIEW**

Internationally 2019 continued to see significant growth in DAI's global ministry, as we continued to serve leaders in Africa, Asia and Latin America. There was significant growth in numbers, in the quality of DAI's materials, in leaders served, and most importantly, in growth in evidence of the impact on leaders' lives.

During 2019, DAI served a total of 57,528 leaders globally (47,192 in 2018). These numbers were made up of:

- 32,861 leaders in our ongoing education programmes (31,844 in 2018) of which
  - 30,407 attended non-formal workshops
  - 836 were students in our formal MA programme
  - 1,046 were in mentoring relationships
  - 572 were involved in consulting projects
- 24,667 leaders were served digitally (15,398 in 2018) of which
  - 5,319 were active users of our on-line courses at the DAI Institute
  - At least 19,348 leaders were served by other digital delivery systems, including logging into our on-line devotional materials and reading our Russian Christian Leadership digital magazine

DAI's global income in 2019 was \$5,421,639 (\$5,315,930 in 2018).

DAI has Ministry Centres in 37 countries including Argentina, Columbia, Costa Rica, Cuba, Ecuador, Haiti, Mexico, Peru, Burkina Faso, Cameroon, Cote d'Ivoire, DRC, Senegal, Togo, Kenya, Nigeria, South Sudan, South Africa, Uganda, Russia, Sweden, India, Indonesia, Myanmar, Nepal, Sri Lanka, Philippines, China, Mongolia, Canada, USA, United Kingdom and a number of countries in the Middle East (details withheld for security reasons), and is working with leaders in another 45 countries.

Every DAI Ministry Centre charges a locally appropriate amount for its Workshops and other services. In addition to charging Workshop fees, they endeavour to raise local donations and gifts in kind.

Working with other Christian organizations has always been one of DAI's core practices. The very mission of DAI is to build healthier leaders and healthier ministries who can do their work more effectively. As a result, DAI responds to the requests of churches, mission agencies, NGOs, schools, government offices or hospitals. For example, we work in partnership with local universities, seminaries and Bible colleges to provide the MA in Organisational Leadership. But we partner with other organizations as well.

DAI continues to see growing instability in the nations where the organisation serves, resulting in unprecedented challenges for Christian leaders to be the salt and light that is even more desperately needed in these places. These leaders know they need help and ongoing growth to lead in such challenging environments. This provides the motivation for DAI to continue to improve the quality of everything it does and thus expand and deepen its impact in the lives of the incredible leaders it has the privilege to serve.

##### **ACHIEVEMENTS AND PERFORMANCE: DAI UK OVERVIEW**

DAI UK is a member of the family of ministries which make up DAI as an international entity. DAI UK's specific ministry has made a significant contribution to the global ministry of DAI through its traditional focus on curriculum development and the facilitation of training Workshops.

## DAI UK

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) *(continued)*

#### YEAR ENDED 31 DECEMBER 2019

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However, with the changes which have faced DAI UK, the focus in 2019 has been to explore what role, if any, DAI UK might fulfil in the delivery of DAI's global objectives. With that in mind, in January 2019, the board established a research project, headed up by Liz Taylor, to research the viability of

- providing training workshops for church movements in the UK who are working globally
- serving diaspora churches in the UK through training and mentoring
- encouraging the use of the Servant Leadership for Youth materials across UK churches
- specifically supporting other DAI Ministry Centres internationally
- any other opportunities that may emerge during the research

Liz Taylor submitted an interim report to the Board in July and a final report in November which indicated that there were significant opportunities to work with diaspora communities who were interested in benefitting from DAI's leadership materials and training and also to work with organisations who are supporting students from the diaspora by providing them with leadership training materials. In addition there were also opportunities to support churches who are seeking to develop a more inclusive multicultural approach, as well as engaging with DAI's Ministry Centres in India and Nepal, where we already have strong links through individuals who are already supporting the work in those countries. As a result, the board decided to specifically engage in providing leadership workshops for the Nepali church in the UK and to work in partnership to deliver leadership training materials to an international student-focused ministry in Leeds, as well as to continue to explore working with other diaspora communities and to be intentional about linking more closely with the DAI Ministry centres in India and Nepal. To enable this work to proceed, the board agreed to appoint Liz Taylor as Senior Consultant for UK Ministries with effect from 1 January 2020.

DAI UK has also continued to identify and provide appropriately qualified people to serve as facilitators for DAI's MA courses internationally, with facilitators from the UK teaching the Introduction to Leadership, the Teaching and Learning for Impact, the Strategic Management, and the Introduction to Research Courses at MA Residencies in Sri Lanka, India and Nepal.

DAI UK continued to provide financial support to a variety of projects across DAI's International ministry. During the year £34,611 (£13,406) was raised in the UK specifically for international projects.

#### **FINANCIAL REVIEW**

Developing income from UK sources continues to be a challenge and donations from individuals, Churches and Trusts in the UK increased in 2019.

Income from UK sources for 2019 was £37,485 (£23,787 in 2018). Of this £34,612 (£13,406 in 2018) was restricted income for specific international projects which DAI UK is supporting.

DAI US continues to provide a significant part of the operational funding required by DAI UK. In 2019, DAI US underwrote £9,690 of the operating costs of DAI UK (£22,415 in 2018). With limited staff, there has been no concentrated effort to increase UK sources of funding during 2019. However, the Board will re-establish efforts to increase UK sources of funding once we have more staff in place and recognises that this will require significant dedicated effort.

In terms of regular donor support, total income from individual donors increased to £24,764 (£8,506 in 2018)

During the year, we also received a number of restricted, one-off gifts totally £10,000 (£8,382 in 2018).

#### **Investment Policy**

There are no restrictions on the charity's power to invest. Given the small sums of money currently involved and the limited objectives of such investment, the investment strategy is determined solely by the Trustees. The overall investment policy is to protect the value of the capital and preserve, as far as is possible, the real value of the capital by seeking returns to mitigate the impact of inflation. It is considered that this policy is best implemented, at this time, by investing cash in a high interest savings account without exceeding the maximum sum covered for the chosen deposit-taking institution of the Deposit Protection Scheme administered by the FSCS.

#### **Reserves Policy**

DAI UK remains significantly dependent on income from Development Associates International (DAI) to fulfil its objects. However, as part of its Risk Management process, Trustees concluded that, should funds from DAI US cease to be available, the current main liability would be meeting the employment costs of staff for three months and have established a reserve fund which at the year-end amounted to £12,786 (£12,768 in 2018).

**DAI UK**

**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (continued)**

**YEAR ENDED 31 DECEMBER 2019**

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**PLANS FOR FUTURE PERIODS**

DAI UK's plans for 2020 are to:

- Deliver the Servant Leadership Workshop to a group of churches serving the Nepali diaspora, report on lessons learned and identify how the workshops can be rolled out or more leaders of churches serving the Nepali diaspora
- Deliver the Servant Leadership Workshop to leaders of Transformation Leeds and explore how it might be extended to other ministries working with international students across the UK
- Explore how DAI UK can engage with other diaspora groups in the UK
- Continue to explore partnership opportunities with other groups in the UK
- Enable the Senior Consultant for UK Ministries to visit India and Nepal and explore how DAI UK can best support the work of those Ministry Centres
- Continue to provide facilitators for the MA programme globally

**INDEPENDENT EXAMINER**

Warner Wilde Limited has been appointed as Independent Examiner for the ensuing year.

Registered Office:  
25 Gordon Road  
Windsor  
Berkshire  
SL4 3RG

Signed on behalf of the Trustees

Mr. Chris Matthews ..... **C J Matthews**  
23rd July 2020

# DAI UK

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF DAI UK

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I report to the trustees on my examination of the financial statements of DAI UK (the charity) for the year ended 31 December 2019.

### **Responsibilities and basis of report**

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

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

### **Independent examiner's statement**

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Frances Wilde FCCA DChA

Warner Wilde  
Chartered Certified Accountants  
4 Marigold Drive  
Bisley  
Surrey  
GU24 9SF

Dated: .....

# DAI UK

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2019

		Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £	Total 2018 £
<b>Income from:</b>					
Donations and legacies	3	20,663	34,612	55,275	53,745
Investments	4	40	-	40	24
<b>Total income</b>		<u>20,703</u>	<u>34,612</u>	<u>55,315</u>	<u>53,769</u>
<b>Expenditure on:</b>					
Raising funds	5	-	-	-	1,409
Charitable activities	6	20,685	29,512	50,197	53,095
<b>Total resources expended</b>		<u>20,685</u>	<u>29,512</u>	<u>50,197</u>	<u>54,504</u>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		18	5,100	5,118	(735)
Fund balances at 1 January 2019		<u>12,768</u>	-	<u>12,768</u>	<u>13,503</u>
<b>Fund balances at 31 December 2019</b>		<u><u>12,786</u></u>	<u><u>5,100</u></u>	<u><u>17,886</u></u>	<u><u>12,768</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# DAI UK

## BALANCE SHEET

AS AT 31 DECEMBER 2019

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	Notes	2019 £	£	2018 £	£
<b>Current assets</b>					
Cash at bank and in hand		21,785		14,013	
<b>Creditors: amounts falling due within one year</b>					
	10	(3,899)		(1,245)	
Net current assets			17,886		12,768
<b>Income funds</b>					
Restricted funds	12		5,100		-
Unrestricted funds			12,786		12,768
			17,886		12,768

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2019.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the 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 company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 23rd July 2020

C J Matthews  
.....  
Mr C J Matthews (Chair)  
**Trustee**

**Company Registration No. 5750186**

# DAI UK

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

#### Charity information

DAI UK is a private company limited by guarantee incorporated in England and Wales. The registered office is 25 Gordon Road, Windsor, Berkshire, SL4 3RG.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

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

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

The value of any volunteer help is not included in the accounts, with the exception of the provision of professional services which would be valued and included as a gift in kind in voluntary income and a corresponding cost in the relevant category.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

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### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

#### 1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised at transaction price.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.7 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.8 Retirement benefits

The charity operates a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

#### 1.9 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

#### 1.10 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

# DAI UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 1 Accounting policies (Continued)

#### 1.11 Debtors

Prepayments are valued at the amount prepaid after taking account of any discounts due.

#### 1.12 Creditors

Creditors are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due can be measured or estimated reliably.

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2019	2019	2019	2018
	£	£	£	£
Donations and gifts	2,833	34,612	37,445	23,763
Grants receivable for core activities	17,830	-	17,830	29,982
	<u>20,663</u>	<u>34,612</u>	<u>55,275</u>	<u>53,745</u>
<b>For the year ended 31 December 2018</b>	<u><u>40,339</u></u>	<u><u>13,406</u></u>		<u><u>53,745</u></u>
<b>Donations and gifts</b>				
Donations from individuals	2,190	18,704	20,894	6,974
Gift Aid Tax recovered	643	3,228	3,871	1,533
Donations from Churches	-	2,180	2,180	6,600
Donations from Trusts and Foundations	-	5,000	5,000	240
Donations from other organisations	-	5,500	5,500	8,416
	<u>2,833</u>	<u>34,612</u>	<u>37,445</u>	<u>23,763</u>

#### Grants from DAI US are made up as follows:

For operating costs	£9,690
MA costs	£8,140

# DAI UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

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### 4 Investments

	<b>Unrestricted funds</b>	Total
	<b>2019 £</b>	2018 £
Interest receivable	40	24
	<u>          </u>	<u>          </u>

### 5 Raising funds

	<b>Unrestricted funds</b>	Total
	<b>2019 £</b>	2018 £
<u>Supporter Relationship Development</u> Staff costs	-	1,409
	<u>          </u>	<u>          </u>
	<u>          </u>	<u>1,409</u>

# DAI UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 6 Charitable activities

	Education and training	Mentoring and consulting	Curriculum and developmen t	Partnership building	Total 2019	Total 2018
	2019	2019	2019	2019		
	£	£	£	£	£	£
Staff costs	-	-	-	-	-	23,951
Education and training	29,512	-	-	-	29,512	13,406
Resources and books	-	-	-	-	-	31
Travel and accommodation costs	581	-	-	-	581	1,476
MA costs repaid by DAI US	8,139	-	-	-	8,139	7,047
Curriculum development	-	-	-	-	-	520
	<u>38,232</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,232</u>	<u>46,431</u>
Share of support costs (see note 7)	1,286	-	-	-	1,286	4,130
Share of governance costs (see note 7)	10,679	-	-	-	10,679	2,534
	<u>50,197</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,197</u>	<u>53,095</u>
<b>Analysis by fund</b>						
Unrestricted funds	20,685	-	-	-	20,685	39,689
Restricted funds	29,512	-	-	-	29,512	13,406
	<u>50,197</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,197</u>	<u>53,095</u>
<b>For the year ended 31 December 2018</b>						
Unrestricted funds	25,079	2,818	10,383	1,409		39,689
Restricted funds	13,406	-	-	-		13,406
	<u>38,485</u>	<u>2,818</u>	<u>10,383</u>	<u>1,409</u>		<u>53,095</u>

# DAI UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 7 Support costs

	Support costs	Governance costs	2019	2018
	£	£	£	£
Staff costs	-	-	-	2,819
Office, finance, travel and subsistence	261	-	261	375
Computer support	1,025	-	1,025	936
Board expenses	-	252	252	13
Accountancy fees	-	2,570	2,570	1,418
Insurance	-	176	176	179
Independent Examination	-	948	948	924
Consulting	-	6,733	6,733	-
	<u>1,286</u>	<u>10,679</u>	<u>11,965</u>	<u>6,664</u>
Analysed between				
Charitable activities	<u>1,286</u>	<u>10,679</u>	<u>11,965</u>	<u>6,664</u>

### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and no-one was reimbursed for travel expenses.

### 9 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2019 Number	2018 Number
Management staff	-	1
	<u>-</u>	<u>1</u>
<b>Employment costs</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	-	25,880
Social security costs	-	1,538
Other pension costs	-	761
	<u>-</u>	<u>28,179</u>
	<u>-</u>	<u>28,179</u>

There were no employees whose annual remuneration was £60,000 or more.

# DAI UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

### 10 Creditors: amounts falling due within one year

	2019 £	2018 £
Other creditors	2,822	163
Accruals and deferred income	1,077	1,082
	<u>3,899</u>	<u>1,245</u>

### 11 Retirement benefit schemes

#### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £- (2018 - £761).

### 12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2019 £	Movement in funds Incoming resources £	Resources expended £	Balance at 31 December 2019 £
Himalayan Region "Beloved" sponsorship	-	375	(375)	-
Himalayan Region - CP support	-	1,800	(1,800)	-
Himalayan Region - D Tamang	-	375	(375)	-
UK - Nepal training	-	5,100	-	5,100
Himalayan Region - Myanmar Orphanage (CP project)	-	450	(450)	-
MA Student Support	-	600	(600)	-
Polk Support	-	144	(144)	-
Nepal flood	-	63	(63)	-
Translation and other projects	-	12,500	(12,500)	-
DAI Ukraine	-	500	(500)	-
DAI US/Clark Support	-	12,705	(12,705)	-
	<u>-</u>	<u>34,612</u>	<u>(29,512)</u>	<u>5,100</u>

The restricted funds support project work in specific geographical areas.

# DAI UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

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### 13 Analysis of net assets between funds

	Unrestricted income funds	Restricted funds	Total	Total
	2019	2019	2019	2018
	£	£	£	£
Fund balances at 31 December 2019 are represented by:				
Current assets/(liabilities)	12,786	5,100	17,886	12,768
	<u>12,786</u>	<u>5,100</u>	<u>17,886</u>	<u>12,768</u>
	<u><u>12,786</u></u>	<u><u>5,100</u></u>	<u><u>17,886</u></u>	<u><u>12,768</u></u>

### 14 Related party transactions

There were no disclosable related party transactions during the year (2018 - none).