

**Charity Registration No. NIC104689**

**Company Registration No. NI604372 (Northern Ireland)**

**DGO FOUNDATION**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 SEPTEMBER 2018**

# DGO FOUNDATION

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# DGO FOUNDATION

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Mr R Lewis Mrs C Lewis Mr I MacCorkell
<b>Charity number</b>	NIC104689
<b>Company number</b>	NI604372
<b>Registered office</b>	1 Hammond Road Upper Ballinderry Lisburn Co Antrim BT28 2NG
<b>Independent examiner</b>	Moore Stephens (NI) LLP 4th Floor Donegall House 7 Donegall Square North Belfast BT1 5GB
<b>Bankers</b>	Ulster Bank Limited 18 Bow Street Lisburn BT28 1BN

# **DGO FOUNDATION**

## **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 30 SEPTEMBER 2018**

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The trustees present their report and financial statements for the year ended 30 September 2018.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, 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)

### **Objectives and activities**

The charity's objects as set out in the Memorandum and Articles of Association are to benefit the public through the advancement of education, the advancement of religion (specifically the Christian Faith), the relief of sickness and advancement of health, the relief of poverty, the advancement of community development and the improvement of the holistic life of communities of developing nations.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

### **Achievements and performance**

In line with the charity's objects we have participated in the advancement of education, the advancement of religion, the relief of sickness, the advancement of community development and the improvement of the holistic life of communities in areas of need: in South Africa by way of donation to the Sports Academy in George; and in India by way of donation to the Gospel for Tribal Social Service Society and to the Donibristle Trust.

In relation to our objective to provide the relief of sickness we have chosen to support the work of Crohns & Colitis UK, Royal Marsden Cancer Charity, Sick Children's Trust, Chest Heart & Stroke, Asthma UK and Auditory Verbal UK.

We continued our initiative in Friends' School Lisburn, and Wallace High School, where we gave pupils the opportunity to apply for funding to participate in a voluntary trip abroad. We are pleased to report we supported pupils to volunteer with Exodus NI, with Habitat for Humanity, and through Elmwood Presbyterian Church on a trip to Spain. Donations were made directly to the charities to contribute to the cost of these trips.

As a Board we are committed to supporting the local community in which we also operate in business. This year we chose to donate to the local charity PIPS (Public Initiative for Prevention of Suicide and Self Harm), and Storehouse Belfast, to support their work with the homeless community in Belfast and initiatives they pioneer to tackle unemployment.

In line with our Grant Funding policy, we met as a Board and decided to support the following organisations who work to advance the Christian religion: Lagan Valley Vineyard and Belfast City Vineyard.

### **Financial review**

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The board examine the major risks the charity company faces in its operations and have developed systems to monitor and control these risks in order to mitigate any impact that they could have on the company.

### **Plans for future periods**

The charity meets on a quarterly basis to discuss opportunities that can be supported. We plan to build upon the work we have been doing with local schools, and continue to consider ways to support further projects, both locally and abroad. We anticipate that the work of Storehouse with the homeless community in Belfast, will grow and we hope to support this growth in the near future.

# DGO FOUNDATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### Structure, governance and management

The charity is a company limited by guarantee, not having a share capital. It is registered in Northern Ireland (registration number: NI 604372) and has obtained charitable status with The Charity Commission for Northern Ireland (Charity no. NIC104689). It is governed by its Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr R Lewis  
Mrs C Lewis  
Mr I MacCorkell

The members of the company are also the directors.

New directors have an induction meeting with the Chair of the Board. They are briefed on a range of issues including:

- A full introduction to the organisation, its decision making process, its business plan and its recent financial performance: and
- The roles and responsibilities of a Board Member.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Board of Directors operates as detailed in the governing document for the charity, its Memorandum and Articles of Association.

During the year the company received income of £328,478 (2017: £244,681) from QTH Ltd, a company in which R Lewis and C R Lewis are also directors. The balance due to the company at the year end was £nil (2017: £nil).

The trustees' report was approved by the Board of Trustees.

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**Mrs C Lewis**  
Trustee  
Dated: .....

# DKO FOUNDATION

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF DKO FOUNDATION

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We report on the accounts of the charity for the year ended 30 September 2018, which are set out on pages 5 to 11.

### Respective responsibilities of trustees and examiner

The trustees, who are also the directors of DKO Foundation for the purposes of company law, are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006.

Having satisfied ourselves that the charity is not subject to audit under company law, and is eligible for independent examination, it is our responsibility to:

- (i) examine the accounts under section 65 of the Charities Act
- (ii) follow the procedures laid down in the general directions given by the Charity Commission for Northern Ireland under section 65(9)(b) of the Charities Act
- (iii) state whether particular matters have come to our attention.

### Basis of independent examiner's report

We have examined your charity accounts as required under section 65 of the Charities Act and our examination was carried out in accordance with the general Directions given by the Charity Commission for Northern Ireland under section 65(9)(b) of the Charities Act. The examination included a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also included consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as charity trustees concerning any such matters.

Our role is to state whether any material matters have come to our attention giving us cause to believe:

1. That accounting records were not kept in accordance with section 386 of the Companies Act 2006
2. That the accounts do not accord with those accounting records
3. That the accounts do not comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the 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
4. That there is further information needed for a proper understanding of the accounts to be reached.

### Independent examiner's statement

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

We have completed our examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission for Northern Ireland, we have found no matters that require drawing to your attention.

Moore Stephens (NI) LLP

Chartered Accountants  
4th Floor Donegall House  
7 Donegall Square North  
Belfast  
BT1 5GB

Dated: .....

# DGO FOUNDATION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

*FOR THE YEAR ENDED 30 SEPTEMBER 2018*

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		Unrestricted funds	Total 2018	Total 2017
	Notes	£	£	£
<b><u>Income from:</u></b>				
Donations and legacies	3	328,478	328,478	244,681
		<hr/>	<hr/>	<hr/>
<b><u>Expenditure on:</u></b>				
Charitable activities	4	229,791	229,791	214,475
		<hr/>	<hr/>	<hr/>
<b>Net income for the year/ Net movement in funds</b>		<b>98,687</b>	<b>98,687</b>	30,206
Fund balances at 1 October 2017		331,693	331,693	301,487
		<hr/>	<hr/>	<hr/>
<b>Fund balances at 30 September 2018</b>		<b>430,380</b>	<b>430,380</b>	331,693
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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.

# DGO FOUNDATION

## BALANCE SHEET

AS AT 30 SEPTEMBER 2018

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	Notes	2018 £	£	2017 £	£
<b>Current assets</b>					
Cash at bank and in hand		431,237		332,806	
<b>Creditors: amounts falling due within one year</b>					
	9	(857)		(1,113)	
Net current assets			<u>430,380</u>		<u>331,693</u>
<b>Income funds</b>					
Unrestricted funds			<u>430,380</u>		<u>331,693</u>
			<u>430,380</u>		<u>331,693</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 September 2018. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The trustees acknowledges 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.

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 .....

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Mrs C Lewis

**Trustee**

**Company Registration No. NI604372**

# DKO FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 1 Accounting policies

#### Charity information

DKO Foundation is a private company limited by guarantee incorporated in Northern Ireland. The registered office is 1 Hammond Road, Upper Ballinderry, Lisburn, Co Antrim, BT28 2NG.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Memorandum and Articles of Association, 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 £.

#### 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.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

# DGO FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 1 Accounting policies

(Continued)

#### 1.5 Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Funding provided through contractual agreements and performance related grants is recognised as goods or services are supplied. Other grant payments are recognised when a constructive obligation arises that results in the payment being unavoidable.

Governance costs include those incurred in the governance of its assets and are primarily associated with constitutional and statutory requirements.

#### 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 and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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 initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **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.

# DGO FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

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### 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

	<b>Unrestricted funds</b>	Total
	<b>2018</b>	2017
	£	£
Donations and gifts	<b>328,478</b>	244,681

### 4 Charitable activities

	<b>2018</b>	<b>2017</b>
	£	£
Staff costs	<b>23,091</b>	-
Charitable donations	<b>205,077</b>	213,920
Bank charges	<b>(276)</b>	164
Sundry expenses	<b>1,539</b>	31
	<b>229,431</b>	214,115
Share of governance costs (see note 5)	<b>360</b>	360
	<b>229,791</b>	214,475

# DGO FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2018

### 5 Governance costs

	Support costs £	Governance costs £	2018 £	2017 £	Basis of allocation
Independent examination	-	360	360	360	Governance
	-	360	360	360	
Analysed between Charitable activities	-	360	360	360	

Governance costs includes payments to the independent examiners of £360 (2017- £360) for independent examination fees.

### 6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 7 Employees

#### Number of employees

The average monthly number of employees during the year was:

	2018 Number	2017 Number
	1	-

#### Employment costs

	2018 £	2017 £
Wages and salaries	23,091	-

### 8 Financial instruments

#### Carrying amount of financial liabilities

	2018 £	2017 £
Measured at amortised cost	857	1,113

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

	2018 £	2017 £
Accruals and deferred income	857	1,113

# DGO FOUNDATION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) *FOR THE YEAR ENDED 30 SEPTEMBER 2018*

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### **10 Related party transactions**

There were no disclosable related party transactions during the year (2017 - none).