

Company registration number: 05704054

Charity registration number: 1115277

# Drop4Drop Ltd

(A company limited by share capital)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

SRC-Time Ltd  
2nd Floor  
Stanford Gate  
South Road  
Brighton  
East Sussex  
BN1 6SB

# **Drop4Drop Ltd**

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# **Drop4Drop Ltd**

## **Reference and Administrative Details**

### **Trustees**

Katherine Louise Barry

Simon Konecki, (Director)

Lucas White

Raymond Leek, (Director)

### **Charity Registration Number**

1115277

### **Company Registration Number**

05704054

The charity is incorporated in Wales.

### **Registered Office**

Life Water  
11A North Street  
Portslade  
East Sussex  
BN41 1DH

### **Independent Examiner**

SRC-Time Ltd  
2nd Floor  
Stanford Gate  
South Road  
Brighton  
East Sussex  
BN1 6SB

### **Accountants**

SRC-Time Ltd  
2nd Floor Stanford Gate  
South Road  
Brighton  
East Sussex  
BN1 6SB

## **Drop4Drop Ltd**

### **Strategic Report for the Year Ended 31 March 2021**

The trustees, who are directors for the purposes of company law, present their strategic report for the year ended 31 March 2021, in compliance with s414C of the Companies Act 2006.

#### **Achievements and performance**

Main achievements of the charity are as follows:

- 11 clean water projects constructed across Uganda, reaching roughly 3,300 people.
- COVID-19 essential workers status granted to in-country partner, conducted hygiene and sanitation training and initiatives, including hand-wash training to fight the spread of COVID-19

#### **Financial review**

Income for the year showed a good performance. There continued to be a healthy income from the Charity's primary business donor whose donations to the Charity are based on the volume of customer sales. The remainder of the income was received from other corporate and private donors.

The charity has low expenditure due to support from Life UK Ltd, which leaves funds fully available for the priorities outlined in Objectives and Activities.

#### ***Policy on reserves***

The charity will ensure there are always funds available for priorities and will analyse all commitments to ensure efficiency without overspend.

The strategic report was approved by the trustees of the charity on ..... and signed on its behalf by:

.....  
Katherine Louise Barry  
Trustee

# **Drop4Drop Ltd**

## **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

### **Objectives and activities**

#### ***Objects and aims***

Mission:

DROP4DROP believes everyone, everywhere, has the right to clean water. Access to clean water transforms lives, creates opportunities and lays the foundations for a brighter future.

Purpose:

DROP4DROP (forthwith named as 'the Charity') is a public benefit organisation that is committed to providing clean water projects across the globe to communities without access.

- The Charity, based in the United Kingdom, seeks to provide clean drinking bore-wells across the globe to communities living without access. The Charity's goal is to strategise and implement tools and solutions to alleviate the 'World Water Crisis'.
- The Charity provides grants to in-country organisations to provide sustainable clean water solutions, funded by vital donations from corporate and private individuals.
- The Charity receives funding and operational support from Life UK Ltd (mentioned forthwith as 'the Business') to ensure operational costs are absorbed outside the Charity's financial structure.
- The Charity researches and implements the advancement of resources and methods to provide clean water to communities living without access to clean water.
- The Charity utilises partnerships with non-governmental organisations in the locations of work and provides grants to outsource physical construction of wells.

The Charity's objectives are the relief and assistance of people in developing countries deprived of clean drinking water. In particular accepting, administering and redistributing donations from the bottled water and soft drinks industry and investing these donations in water projects in affected countries.

#### ***Public benefit***

The significant activities undertaken by the charity during the year are:

- Circa 11 clean water projects constructed, roughly 3,300 people reached;
- In-country partners granted COVID-19 essential worker status during global pandemic, to use water provision experience for hygiene/sanitation provision and training, including launch of hand-wash training and initiatives.
- Implemented clean water projects in Uganda.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Going concern**

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

## **Drop4Drop Ltd**

### **Trustees' Report**

#### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

Trustees:

Katherine Louise Barry

Simon Konecki, (Director),

Lucas White

Raymond Leek, (Director),

#### **Structure, governance and management**

##### ***Nature of governing document***

The company is registered as a charitable company limited by guarantee and was set up by a Trust deed.

The company is constituted under the Articles of Association and is registered charity number 1115277.

##### ***Recruitment and appointment of trustees***

In order for a new trustee to be appointed, a meeting should be arranged with the proposed appointment to be outlined and followed as such:

- The meeting is to be set and objectives set by the Founder;
- All Trustees must be in attendance;
- The Trustee must carefully consider the eligibility and appropriateness of the proposed trustee;
- A majority vote must be agreed before appointing new members of the board.

The annual report was approved by the trustees of the charity on ..... and signed on its behalf by:

.....  
Katherine Louise Barry  
Trustee

## **Drop4Drop Ltd**

### **Statement of Trustees' Responsibilities**

The trustees (who are also the directors of Drop4Drop Ltd for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees of the charity on ..... and signed on its behalf by:

.....  
Katherine Louise Barry  
Trustee

## **Drop4Drop Ltd**

### **Independent Examiner's Report to the trustees of Drop4Drop Ltd ("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 Drop4Drop Ltd 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**

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 Drop4Drop Ltd 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.



.....  
Mr Richard Wernick  
CTA

2nd Floor  
Stanford Gate  
South Road  
Brighton  
East Sussex  
BN1 6SB

Date:.....15/12/2021.....



# Drop4Drop Ltd

## Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2021 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	136,968	136,968
Other income	4	26,134	26,134
Total income		163,102	163,102
<b>Expenditure on:</b>			
Charitable activities	5	(47,645)	(47,645)
Total expenditure		(47,645)	(47,645)
Net income		115,457	115,457
Net movement in funds		115,457	115,457
<b>Reconciliation of funds</b>			
Total funds brought forward		116,738	116,738
Total funds carried forward	15	232,195	232,195
	Note	Unrestricted funds £	Total 2020 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	229,317	229,317
Other income	4	2,375	2,375
Total income		231,692	231,692
<b>Expenditure on:</b>			
Charitable activities	5	(192,977)	(192,977)
Total expenditure		(192,977)	(192,977)
Net income		38,715	38,715
Net movement in funds		38,715	38,715
<b>Reconciliation of funds</b>			
Total funds brought forward		78,023	78,023
Total funds carried forward	15	116,738	116,738

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 15.

The notes on pages 9 to 16 form an integral part of these financial statements.

## Drop4Drop Ltd

### (Registration number: 05704054) Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
<b>Current assets</b>			
Debtors	10	58,522	26,920
Cash at bank and in hand	11	177,365	92,777
		<u>235,887</u>	<u>119,697</u>
<b>Creditors: Amounts falling due within one year</b>	12	<u>(3,692)</u>	<u>(2,959)</u>
<b>Net assets</b>		<u>232,195</u>	<u>116,738</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		229,820	116,738
Other reserves		<u>2,375</u>	<u>-</u>
Total unrestricted funds		<u>232,195</u>	<u>116,738</u>
<b>Total funds</b>	15	<u>232,195</u>	<u>116,738</u>

For the financial year ending 31 March 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements on pages 7 to 16 were approved by the trustees, and authorised for issue on ..... and signed on their behalf by:

.....  
Katherine Louise Barry  
Trustee

# **Drop4Drop Ltd**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

### **1 Charity status**

The charity is limited by share capital, incorporated in Wales.

The address of its registered office is:

Life Water  
11A North Street  
Portslade  
East Sussex  
BN41 1DH

### **2 Accounting policies**

#### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Statement of compliance**

The financial statements have been prepared in accordance with 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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

#### **Basis of preparation**

Drop4Drop Ltd meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

#### **Exemption from preparing a cash flow statement**

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

#### **Income and endowments**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

#### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## **Drop4Drop Ltd**

### **Notes to the Financial Statements for the Year Ended 31 March 2021**

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Charitable activities***

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.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Trade debtors**

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## Drop4Drop Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Fund structure

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

#### Financial instruments

##### *Classification*

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

### 3 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies; Charity incoming resources (projects)	136,968	136,968
<b>Total for 2021</b>	136,968	136,968
<b>Total for 2020</b>	229,317	229,317

### 4 Other income

Other income £26,134 (2020 - £2,375) consists of furlough income from HMRC as a result of COVID-19.

# Drop4Drop Ltd

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 5 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total funds £
Direct costs		16,984	16,984
Governance costs	6	30,661	30,661
<b>Total for 2021</b>		<b>47,645</b>	<b>47,645</b>
<b>Total for 2020</b>		<b>192,977</b>	<b>192,977</b>

In addition to the expenditure analysed above, there are also governance costs of £30,661 (2020 - £53,848) which relate directly to charitable activities. See note 6 for further details.

### 6

Other governance costs

Allocated support costs

**Total for 2021**

**Total for 2020**

## Drop4Drop Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 7 Grant-making

##### Analysis of grants

Below are details of material grants made to institutions

<b>Name of institution</b>	<b>2021 £</b>	<b>2020 £</b>
Sri K. Pitchi Reddy Educational and Welfare Society (SPREAWS)	-	472
New Entity of Welfare Society (NEWS India)	-	1,136
Kituntu Women's Association (KITUNTU)	-	79,157
Casco Financial Services Limited (Casco FX)	16,953	23,513
Sabuj Sangha	-	7,654
Wells for Zoe	-	6,422
Dragon Stone Party LTD	-	20,028
	<u>16,953</u>	<u>138,382</u>

# Drop4Drop Ltd

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 8 Staff costs

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Support Staff	1	1

No employee received emoluments of more than £60,000 during the year.

### 9 Independent examiner's remuneration

	2020 £
Examination of the financial statements	300

### 10 Debtors

	2021 £	2020 £
Trade debtors	53,022	21,922
Accrued income	5,500	4,998
	58,522	26,920

### 11 Cash and cash equivalents

	2021 £	2020 £
Cash at bank	177,365	92,777

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

	2021 £	2020 £
Trade creditors	1,554	-
Other taxation and social security	477	781
Other creditors	161	174
Accruals	1,500	2,004
	3,692	2,959

### 13 Pension and other schemes

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £592 (2020 - £776).



# Drop4Drop Ltd

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 14 Reserves

	Other reserves £	Total £
At 1 April 2020	(2,375)	(2,375)

### 15 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Balance at 31 March 2021 £
<b>Unrestricted funds</b>				
General	114,363	136,968	(47,645)	203,686
Other	2,375	26,134	-	28,509
<b>Total funds</b>	116,738	163,102	(47,645)	232,195
	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Balance at 31 March 2020 £
<b>Unrestricted funds</b>				
General	78,023	229,317	(192,977)	114,363
Other	-	2,375	-	2,375
<b>Total funds</b>	78,023	231,692	(192,977)	116,738

### 16 Analysis of net assets between funds

	Unrestricted funds General £	Total funds at 31 March 2021 £
Current assets	235,887	235,887
Current liabilities	(3,692)	(3,692)
Total net assets	232,195	232,195
	Unrestricted funds General £	Total funds at 31 March 2020 £
Current assets	119,697	119,697
Current liabilities	(2,959)	(2,959)
Total net assets	116,738	116,738

## Drop4Drop Ltd

### Notes to the Financial Statements for the Year Ended 31 March 2021

#### 17 Analysis of net funds

	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
Cash at bank and in hand	92,777	84,588	177,365
Net debt	92,777	84,588	177,365

#### 18 Related party transactions

During the year the charity made the following related party transactions:

Mr S Konecki and Ms K Barry, both trustees of the charity are also directors of a UK company, Life UK Limited. During the year the charity received charitable donations of £28,631 (2020 - £103,040) from Life UK Limited.

## Drop4Drop Ltd

### Statement of Financial Activities by fund for the Year Ended 31 March 2021

#### Unrestricted Funds

	<b>Total Unrestricted Funds 2021 £</b>	<b>Total Unrestricted Funds 2020 £</b>
<b>Income and Endowments from:</b>		
Donations and legacies	136,968	229,317
Other income	26,134	2,375
Total income	163,102	231,692
<b>Expenditure on:</b>		
Charitable activities	(47,645)	(192,977)
Total expenditure	(47,645)	(192,977)
Net income	115,457	38,715
Net movement in funds	115,457	38,715
<b>Reconciliation of funds</b>		
Total funds brought forward	114,363	78,023
Total funds carried forward	229,820	116,738

## Drop4Drop Ltd

### Detailed Statement of Financial Activities for the Year Ended 31 March 2021

	Total 2021 £	Total 2020 £
<b>Income and Endowments from:</b>		
Donations and legacies (analysed below)	136,968	229,317
Other income (analysed below)	26,134	2,375
Total income	163,102	231,692
<b>Expenditure on:</b>		
Charitable activities (analysed below)	(47,645)	(192,977)
Total expenditure	(47,645)	(192,977)
Net income	115,457	38,715
Net movement in funds	115,457	38,715
<b>Reconciliation of funds</b>		
Total funds brought forward	114,363	78,023
Total funds carried forward	229,820	116,738

# Drop4Drop Ltd

## Detailed Statement of Financial Activities for the Year Ended 31 March 2021

	Total 2021 £	Total 2020 £
<i><b>Donations and legacies</b></i>		
Donations received (projects)	136,968	229,317
	<u>136,968</u>	<u>229,317</u>
<i><b>Other income</b></i>		
Other income	26,134	2,375
	<u>26,134</u>	<u>2,375</u>
<i><b>Charitable activities</b></i>		
Direct costs	(16,984)	(139,129)
Volunteer expenses	-	(148)
Insurance	(346)	(372)
Telephone and fax	(1,933)	(2,461)
Computer software and maintenance costs	-	(238)
Printing, postage and stationery	(147)	(99)
Sundry expenses	8	(643)
Travel and subsistence	(36)	(13,780)
Advertising	-	(263)
Accountancy fees	(1,644)	(1,923)
Independent examiner's fee	-	(300)
Legal and professional fees	-	(600)
Wages and salaries	(25,970)	(32,000)
Staff NIC (Employers)	-	(245)
Staff pensions (Defined contribution) - pension scheme 1	(593)	(776)
	<u>(47,645)</u>	<u>(192,977)</u>