

**Drop4Drop Limited**

**(A company limited by guarantee)**

**Charity No. 1115277**

**Company No. 05704054**

**Trustees' Report and Unaudited Accounts**

**31 March 2022**

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 March 2022.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Company No. 05704054**

**Charity No. 1115277**

##### **Registered Office**

11a North Street  
Portslade  
East Sussex  
BN41 1DH

##### **Directors and Trustees**

The Directors of the charitable company are its Trustees for the purposes of charity law.  
The Directors and Trustees serving during the year and since the year end were as follows:

K.L. Barry  
S.C. Konecki  
R. Leek  
L. White

The following trustees are also directors:

S.C. Konecki  
R. Leek

##### **Accountants**

Time Accounts Limited  
Room 34  
Basepoint Business Centre  
Little High Street  
Shoreham-by-sea  
BN43 5EG

## **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 trustee**

- 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.

## **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 charity during the year are:

- Circa 38 clean water projects constructed, roughly 30,400 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 for hand-wash training and initiatives.
- Implemented clean water projects in Uganda.
- Working in Bidi (one of the world's largest refugee settlements), to provide clean water to south Sudanese Refugees fleeing the ongoing civil war, who are given permanent plots of land to set up permanent residency. The area is still in need of many resources, Drop4Drop helped provide access to clean water in the settlement, which is crucial for habitants to live healthily.
- Research into public collaboration on water filtration projects.
- Research into new project location in Senegal.

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.

**ACHIEVEMENTS AND PERFORMANCE**

Main achievements of the charity are as follows:

- 38 clean water projects constructed across Uganda and India, reaching roughly 30,400 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.
- Working in Bidi (one of the World's largest refugee settlements), to provide clean water to South Sudanese refugees fleeing the ongoing civil war, who are being given permanent plots of land to set up permanent residency. The area is still in need of many resources, Drop4Drop helped provide access to clean water in the settlement, which is crucial for habitants to live healthily.
- Research into possible collaboration on water filtration projects.
- Research into new project location in Senegal.

**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***

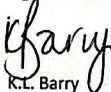
The charity will ensure there are always funds available for priorities and will analyse all commitments to ensure efficiency without overspend.

**Drop4Drop Limited**  
**Trustees Annual Report**

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Trustees are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

A handwritten signature in black ink, appearing to read 'K.L. Barry', written over the printed name.

K.L. Barry  
Trustee

**Independent Examiner's Report to the trustees of Drop4Drop Limited**

I report to the charity trustees on my examination of the financial statements of Drop4Drop Limited for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and the related notes.

**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 your charity's financial statements 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 can confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that:

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (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.

Mrs Hannah Thatcher, FCA LLB  
Institute of Chartered Accountants England & Wales  
Room 34  
Basepoint Business Centre  
Little High Street  
Shoreham-by-sea  
BN43 5EG

**Drop4Drop Limited**  
**Statement of Financial Activities**  
**for the year ended 31 March 2022**

		<b>Total funds 2022 £</b>	<b>Total funds 2021 £</b>
	<b>Notes</b>		
<b>Income and endowments from:</b>			
Donations and legacies	4	163,192	136,968
Other	5	11,467	26,134
<b>Total</b>		<b>174,659</b>	<b>163,102</b>
<b>Expenditure on:</b>			
Charitable activities	6	103,245	47,645
Other	8	5	-
<b>Total</b>		<b>103,250</b>	<b>47,645</b>
Net gains on investments		-	-
<b>Net income</b>		<b>71,409</b>	<b>115,457</b>
<b>Net income before other gains/(losses)</b>		<b>71,409</b>	<b>115,457</b>
<b>Other gains and losses</b>			
<b>Net movement in funds</b>		<b>71,409</b>	<b>115,457</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward		232,195	116,738
<b>Total funds carried forward</b>		<b>303,604</b>	<b>232,195</b>

**Drop4Drop Limited****Balance Sheet****at 31 March 2022**

<b>Company No. 05704054</b>	<b>Notes</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Current assets</b>			
Debtors	10	9,796	58,522
Cash at bank and in hand		296,334	177,365
		<u>306,130</u>	<u>235,887</u>
<b>Creditors: Amount falling due within one year</b>	11	(2,526)	(3,692)
<b>Net current assets</b>		<u>303,604</u>	<u>232,195</u>
<b>Total assets less current liabilities</b>		<u>303,604</u>	<u>232,195</u>
<b>Net assets excluding pension asset or liability</b>		<u>303,604</u>	<u>232,195</u>
<b>Total net assets</b>		<u>303,604</u>	<u>232,195</u>
<b>The funds of the charity</b>			
<b>Unrestricted funds</b>	12		
General funds		263,628	203,686
Others		39,976	28,509
		<u>303,604</u>	<u>232,195</u>
<b>Total funds</b>		<u>303,604</u>	<u>232,195</u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

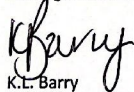
For the year ended 31 March 2022 the charitable company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charitable company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on

And signed on its behalf by:



K.L. Barry  
Trustee

## **1 Accounting policies**

### **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) (effective 1 January 2019 - (Charities SORP 2019 (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and 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.

### **Fund accounting**

Unrestricted funds	These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.
Designated funds	These are unrestricted funds earmarked by the trustees for particular purposes.
Revaluation funds	These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.
Restricted funds	These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

### **Income**

Recognition of income	Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.
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Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
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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.
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**Expenditure**

Recognition of 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.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on 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.
Governance costs	These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.
Other expenditure	These are support costs not allocated to a particular activity. 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.

**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 and other 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.

#### **Trade and other 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.

#### **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.

**2 Charity status**

The charity is incorporated in England and Wales and is limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation. The charity is incorporated in England and Wales.

The address of its registered office is:

Phoenix House 3rd Floor  
 32 West Street  
 Brighton  
 East Sussex  
 BN1 2RT

**3 Statement of Financial Activities - prior year**

	Unrestricted funds 2021 £	Total funds 2021 £
<b>Income and endowments from:</b>		
Donations and legacies	136,968	136,968
Other	26,134	26,134
<b>Total</b>	<b>163,102</b>	<b>163,102</b>
<b>Expenditure on:</b>		
Charitable activities	47,645	47,645
<b>Total</b>	<b>47,645</b>	<b>47,645</b>
<b>Net income</b>	<b>115,457</b>	<b>115,457</b>
<b>Net income before other gains/(losses)</b>	<b>115,457</b>	<b>115,457</b>
<b>Other gains and losses:</b>		
<b>Net movement in funds</b>	<b>115,457</b>	<b>115,457</b>
<b>Reconciliation of funds:</b>		
Total funds brought forward	116,738	116,738
<b>Total funds carried forward</b>	<b>232,195</b>	<b>232,195</b>

**4 Income from donations and legacies**

	Unrestricted £	Total 2022 £	Total 2021 £
Charity incoming resources (projects)	163,192	163,192	136,968
	<b>163,192</b>	<b>163,192</b>	<b>136,968</b>

5 Other income

	Unrestricted	Total 2022	Total 2021
	£	£	£
Furlough income (HMRC)	11,467	11,467	26,134
	<u>11,467</u>	<u>11,467</u>	<u>26,134</u>

6 Expenditure on charitable activities

	Unrestricted	Total 2022	Total 2021
	£	£	£
Expenditure on charitable activities			
Direct costs	62,423	62,423	16,984
Governance costs			
Allocated support cost-wages & salaries	35,387	35,387	25,970
Allocated support cost-pension	725	725	592
Other governance cost	4,710	4,710	4,099
	<u>103,245</u>	<u>103,245</u>	<u>47,645</u>

7 Analysis of grants

Activity or programme	Grants to Institutions	Total 2022	Total 2021
	£	£	£
Money Corporation	62,423	62,423	-
Casco Financial Services Ltd (Caasco FX)	-	-	16,953
	<u>62,423</u>	<u>62,423</u>	<u>16,953</u>

8 Other expenditure

	Unrestricted	Total 2022	Total 2021
	£	£	£
Bank charges	5	5	-
	<u>5</u>	<u>5</u>	<u>-</u>

**9 Staff costs**

	<b>2022</b>	<b>2021</b>
Pension costs	725	592
	<u>725</u>	<u>592</u>

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

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

<b>2022</b>	<b>2021</b>
<b>Number</b>	<b>Number</b>
2	1
<u>2</u>	<u>1</u>

**10 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade debtors	-	53,022
Prepayments and accrued income	9,796	5,500
	<u>9,796</u>	<u>58,522</u>

**11 Creditors:**

amounts falling due within one year

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	78	1,554
Other taxes and social security	776	477
Other creditors	172	159
Accruals	1,500	1,502
	<u>2,526</u>	<u>3,692</u>

	At 1 April 2021	Incoming resources (including other gains/losses ) £	Resources expended £	At 31 March 2022 £
<b>Restricted funds:</b>				
<b>Unrestricted funds:</b>				
<b>General funds</b>	203,686	163,192	(103,250)	263,628
<b>Others:</b>				
Other reserves	28,509	11,467	-	39,976
<i>Total</i>	<u>28,509</u>	<u>11,467</u>	<u>-</u>	<u>39,976</u>
<b>Total funds</b>	<u>232,195</u>	<u>174,659</u>	<u>(103,250)</u>	<u>303,604</u>

**Previous year**

	At 1 April 2020	Incoming resources	Resources expended	At 31 March 2021
General funds	114,363	136,968	(47,645)	203,686
Other	2,375	26,134		28,509
<b>Total</b>	<u>116,738</u>	<u>163,102</u>	<u>(47,645)</u>	<u>232,195</u>
Other reserves				

**13 Analysis of net assets between funds**

	Unrestricted funds £	Total £
Current assets	306,130	306,130
Current liabilities	(2,526)	(2,526)
<b>Total net assets</b>	<u>303,604</u>	<u>303,604</u>

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	Total funds at 31 March Unrestricted funds (£)	2021 (£)
Current assets	235,887	235,887
Current liabilities	(3,692)	(3,692)
<b>Total net assets</b>	<u>232,195</u>	<u>232,195</u>

## 15 Reconciliation of net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash and cash equivalents	177,365	118,969	296,334
	<u>177,365</u>	<u>118,969</u>	<u>296,334</u>
Net debt	<u>177,365</u>	<u>118,969</u>	<u>296,334</u>

## 16 Commitments

### Pension commitments

	2022 £	2021 £
The pension cost charge to the company amounted to:	<u>725</u>	<u>592</u>
Unpaid contributions due to the fund are included in other creditors and amounted to:	<u>172</u>	<u>159</u>

## 17 Related party disclosures

	2022 £	2021 £
<b>Transactions with related parties</b>		
<i>Name of related party</i>	K.L. Barry	
<i>Description of relationship between the parties</i>	Trustee	
<i>Description of transaction and general amounts involved</i>	Trustee of the charity is also director of UK company, Life UK Limited. During the year, charity received charitable donations of	81,609 28,631
<i>Name of related party</i>	S.C. Konecki	
<i>Description of relationship between the parties</i>	Trustee	
<i>Description of transaction and general amounts involved</i>	Trustee of the charity is also director of UK company, Life UK Limited. During the year, charity received charitable donations of	81,609 28,631

### Controlling party

The company is limited by guarantee and has no share capital; thus no single party controls the company.

**Drop4Drop Limited**  
**Detailed Statement of Financial Activities**  
**for the year ended 31 March 2022**

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income and endowments from:</b>			
Donations and legacies			
Charity incoming resources (projects)	163,192	163,192	136,968
	<u>163,192</u>	<u>163,192</u>	<u>136,968</u>
Other			
Furlough income (HMRC)	11,467	11,467	26,134
	<u>11,467</u>	<u>11,467</u>	<u>26,134</u>
<b>Total income and endowments</b>	<b>174,659</b>	<b>174,659</b>	<b>163,102</b>
<b>Expenditure on:</b>			
Charitable activities			
Direct cost	62,423	62,423	16,984
	<u>62,423</u>	<u>62,423</u>	<u>16,984</u>
Governance costs			
Allocated support cost- wages & salaries	35,387	35,387	25,970
Allocated support cost-pension	725	725	592
Other governance cost	4,710	4,710	4,099
	<u>40,822</u>	<u>40,822</u>	<u>30,661</u>
<b>Total of expenditure on charitable activities</b>	<b>103,245</b>	<b>103,245</b>	<b>47,645</b>
General administrative costs, including depreciation and amortisation			
Bank charges	5	5	-
	<u>5</u>	<u>5</u>	<u>-</u>
<b>Total of expenditure of other costs</b>	<b>5</b>	<b>5</b>	<b>-</b>
<b>Total expenditure</b>	<b>103,250</b>	<b>103,250</b>	<b>47,645</b>
<b>Net income</b>	<b>71,409</b>	<b>71,409</b>	<b>115,457</b>
	<u>71,409</u>	<u>71,409</u>	<u>115,457</u>
<b>Net income before other gains/(losses)</b>	<b>71,409</b>	<b>71,409</b>	<b>115,457</b>
<b>Net movement in funds</b>	<b>71,409</b>	<b>71,409</b>	<b>115,457</b>
	<u>71,409</u>	<u>71,409</u>	<u>115,457</u>
<b>Reconciliation of funds:</b>			
Total funds brought forward	232,195	232,195	116,738
	<u>232,195</u>	<u>232,195</u>	<u>116,738</u>
<b>Total funds carried forward</b>	<b>303,604</b>	<b>303,604</b>	<b>232,195</b>
	<u>303,604</u>	<u>303,604</u>	<u>232,195</u>