

Charity Commission England and Wales: Charity No 1117303
Office of the Scottish Charity Regulator: Charity SCO44892
Company No 5963834

Dreamflight

(A company limited by guarantee)

Report and Accounts

For the year ended 31 March 2022

15 Chiltern Court
Asheridge Road
Chesham
Bucks
HP5 2PX

Dreamflight

Financial Statements

For the Year Ended 31 March 2022

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Dreamflight

Charity Reference and Administrative Details

For the Year Ended 31 March 2022

Charity Commission England and Wales number	1117303
Office of the Scottish Charity Regulator number	SCO44892
Company registration number	5963834
Registered office	15 Chiltern Court, Asheridge Road, Chesham, Bucks, HP5 2PX
Patrons	Ian Poulter Liz Johnson Richard McCourt and Dominic Wood (Dick & Dom) Charlie Dimmock
Directors (Trustees)	Dr Simon Bailey Robert Bass David Gawn (Chair) Gaylene Kendall (Treasurer) Patricia Pearce MBE
Chief executive and Company Secretary	Sally Wrampling
Auditors	Azets Audit Services, Suites B & D, Burnham Yard Beaconsfield, Bucks, HP9 2JH
Solicitors	Lennons Solicitors, Chess Chambers, 2 Broadway Court, Chesham, HP5 1EG
Bankers	HSBC, 92 Sycamore Road, Amersham, HP6 5EW

Dreamflight

Trustees' Annual Report (Including Directors Report)

For the Year Ended 31 March 2022

The Trustees of the charity present their annual report and audited accounts for the year ended 31 March 2022 and confirm they comply with the Charities Act 2011 and the Charities SORP (FRS 102).

Our aims

Dreamflight is an independent charity which aims to give UK children with a serious illness or disability the opportunity to realise their full potential.

Each year the charity raises funds to take 192 deserving children on their 10-day 'holiday of a lifetime' to Orlando, Florida, without their parents but instead with a team of medical and non-medical volunteers. We give children an opportunity to do something that medicine can't: discover independence, confidence, and a new outlook on life. Many have returned with boosted self esteem, a sense of independence and the knowledge that they are not alone. Although the Dreamflight holiday only lasts ten days, the benefits for these most deserving children are often life-long.

As of 31 March 2022, over 6,200 children have taken part in a life-changing holiday with Dreamflight.

Our objectives

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's guidance on public benefit.

Our key objectives for the year to 31 March 2022 included to:

- Plan for a 2021 Orlando trip, including rolling forward nominations from 2020 and adapting procedures as needed
- Organise alternative 'treats' for selected children nominated for the 2020 trip, who are ineligible for 2021
- Develop and implement a fundraising strategy, adapting to meet the changing restrictions imposed by COVID-19
- Develop website to maximise usage and create and launch new 'sister' website for Dreamflight USA
- Agree lease for new aircraft with British Airways and assess operational changes as needed

Our values

We are:

- **Committed** to helping children realise their full potential
- **Compassionate** to deserving children and their families
- **Safe:** the children's safety is our priority at all times
- **Professional** and organised in all aspects of our work
- **Welcoming** to new people and new ideas
- **Fun** to spend time with

Review of activities and achievements

After the disappointment of having to cancel our planned 2020 Orlando holiday, we started the year with renewed optimism. However, after working hard behind the scenes with our volunteer body to organise the trip, it became apparent that coronavirus cases were once again on the rise and travel between the UK and USA looked unlikely for many months to come. In July 2021 Trustees once again sadly took the decision to postpone the trip, before any supplier payments were made or any children invited. While disappointing for all involved, the Charity instead changed focus for the rest of the year. Achievements and activities included:

- Organising a successful activity holiday for children in November 2021, in partnership with the Calvert Trust, Exmoor.
- A group of 21 children took part, who were nominated in 2020 or 2021, ineligible for a future Orlando holiday and would otherwise have missed out on a Dreamflight experience.
- Rolling over nominations and plans for the Orlando holiday to 2022, including agreements with key suppliers such as British Airways and the Rosen Plaza Hotel. We were careful to ensure that the small number of deposits and payments made towards the planned 2021 holiday could be rolled forward to 2022.
- Launching the Dreamflight USA website, further developing the Dreamflight website and designing new literature in line with the revised brand colours
- Raising income of £423,182 during a very challenging year, including from golf days, fundraising challenges (such as a Wing Walk, the Thames Path Ultra Challenge and the London Marathon) and through the Big Give.

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Trustees' Annual Report (Including Directors Report)

For the Year Ended 31 March 2022

UK activity holiday - trip report

Once the decision was made to sadly cancel the planned October 2021 holiday to Orlando, we realised that a number of children who had been nominated would no longer be eligible for a future Dreamflight trip, either due to a change in their condition or reaching our upper age limit. As we didn't want them to miss out on a Dreamflight experience, we instead partnered with the Calvert Trust, Exmoor, an inclusive outdoor activity centre in the Devon countryside, to organise a special activity holiday in November 2021.

The UK activity holiday was a huge success. 21 deserving young people took part, along with 17 committed Dreamflight volunteers, including a doctor and several nurses, physiotherapists and non-medical volunteers. Despite the challenges of the British weather, everyone had a fantastic time and got a huge amount of the experience. The children took part in abseiling, horse riding, cycling, swimming and zip wiring during the days and movie nights, marshmallow-toasting and quiz nights in the evenings. The Calvert Trust site was accessible so everyone was able to try all the activities on offer. The volunteers that accompanied the children all agreed we managed to keep the Dreamflight spirit, positivity and sense of togetherness, proving the theory that Dreamflight can happen anywhere - while Orlando is the icing on the cake, the Dreamflight experience is really about people, not place.

All the children returned safely to their families with a greater sense of confidence and independence, and having made lasting friendships.

Thank you

A large part of charity business is conducted by a network of volunteers both in the UK and USA. Trustees would like to thank all our volunteers and supporters who continued to tirelessly support Dreamflight throughout the year. As many traditional and in-person group fundraising events were unable to go ahead, we continued to be struck by the commitment of our volunteers in their fundraising efforts during the year. Successes included:

- A Wing Walk in June 2021 - 20 brave volunteers took to the skies strapped to the wing of a light aircraft, raising £24,000.
- Thames Path Ultra Challenge - a team of amazing ladies walked 100km in September 2021, raising £14,200
- The Big Give raised £29,000 for Dreamflight in December 2021, due to a mix of pledges and online donations

Future Plans

As we start the 2022-23 financial year, the coronavirus situation looks much improved. As such we are planning the rolled over October 2022 Orlando holiday with renewed confidence.

Key objectives for the coming year include:

- Organise a trip to Orlando in October 2022, mitigating the risk of coronavirus where possible and implementing changes or new policies where needed
- After two years away, review the trip itinerary and trial new children's entertainment, in partnership with Talent Artistic Group
- Following the success of the UK activity holiday, agree a future plan for Dreamflight which expands our offer and enables the charity to support more deserving children
- Maximise fundraising via supporting individual fundraisers, new and established Fundraising Groups, centrally organised events (including an O2 walk), and the return of large-scale volunteer-led fundraising events, including the November Ball.
- Review leadership and support required in the US, including roles on the Dreamflight USA Board

Fundraising standards information

A fundraising strategy has been prepared and approved by the Trustees which identifies our income streams and the approach taken for each activity. The strategy takes into account best practice and current standards, including General Data Protection Regulation (GDPR) and the Data Protection Act 2018.

Dreamflight

Trustees' Annual Report (Including Directors Report)

For the Year Ended 31 March 2022

Most fundraising is organised in house, either by the Dreamflight office or volunteers. All fundraisers are supported by the Dreamflight office and guidance is given in order to ensure they comply with the relevant regulations. Dreamflight is registered with the Fundraising Regulator and we follow the Regulator's Code of Practice. We follow all standards for charitable fundraising, ensuring that our fundraising is respectful, open, honest and accountable to the public. Dreamflight has not received any complaints regarding its fundraising activities and has not knowingly failed to comply with the standards set out by the code. As with all charities, there is a small risk of fraudulent activity relating to fundraising. In order to avoid the Charity being targeted, robust financial controls and checks are in place.

In all our policies and practices we do not actively seek additional data that is not already in the public domain. We only record data that people opt to provide to us. It is our policy to not knowingly contact persons over a certain age, children or those members of the community who are vulnerable due to disability or illness. We are mindful that some of our Dreamflight children and their families will want to fundraise for the Charity and we provide extra support in those cases or where it is apparent that a fundraiser is in a vulnerable category.

Our finances

Almost all of the Charity's income comes from donations from the numerous fundraising events that take place throughout the year, individual donations, grants and corporate support. The pandemic continued to have a significant impact on all these income streams.

Income for the year was £423,182, down 16% on 2021. This is to be expected during the ongoing pandemic but we are incredibly grateful to everyone who supported Dreamflight in the last year, however big or small. Because we were again unable to organise our annual Orlando trip, expenditure was £311,028. This includes expenditure on our activity holiday to the Calvert Trust, Exmoor, which was funded by monies raised through the Big Give.

Total funds are at £2,776,967. The Trustees are aware that this falls outside the target for maintaining between £1m and £2m in cash assets and plan to spend a portion of reserves on expanded activities to support more young people. Due to supply and staff shortages and a general increase in prices (including aircraft fuel costs), Trustees are also anticipating significant increases in the cost of the forthcoming Dreamflight holiday to Orlando.

Policy for managing investments

At any one time Dreamflight aims to have cash assets of between £1m and £2m. These are carefully divided amongst low risk accounts paying best available interest rates including the use of fixed term bonds with leading UK banks. Approximately 55% of our assets have been placed with a leading asset management company. The charity policy is to minimise risk on investment, divide its assets amongst well known banks or building societies, and at the same time maximise return on its funds in the current low interest rate environment.

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Trustees' Annual Report (Including Directors Report)

For the Year Ended 31 March 2022

Reserves policy

Free reserves are held by Dreamflight to:

- Ensure the continuity of the activities of the charity, given the relative uncertainty of future donations and the high cost of the annual holiday to Florida
- Provide adequate contingency against unforeseen medical costs in the USA, should they arise, where it is not possible to obtain adequate insurances.
- Expand its activities to ensure the long-term viability of the charity

Post-pandemic, the Trustees plan to review the Charity's reserves policy and required level of reserves.

Structure, governance and management

Governing document

Dreamflight is a charitable company limited by guarantee, incorporated on 11 October 2006 and registered as a charity on 19 December 2006. The company was established under a Memorandum of Association which defined the objects and powers of the charitable company. It 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 £1.

The assets, liabilities and operations of the charity were transferred from an unincorporated charity also named Dreamflight on 1 April 2007. The unincorporated charity was established by a Trust Deed dated 3 June 1989 and supplemental Trust Deeds dated 1991 and 1998.

Organisation structure

The Directors of the company are also charity Trustees for the purposes of charity law. A board of five Trustees governs Dreamflight. Trustees meet monthly and are responsible for the strategic policy and direction of the charity.

The Trustees who served during the year are listed below, along with their area of expertise.

- Professor Simon Bailey (Paediatric medical expertise)
- Robert Bass (Governance)
- David Gawn (Chair) (links to and experience of Florida attractions)
- Gaylene Kendall (Treasurer) (Financial expertise)
- Patricia Pearce MBE (Charity Co-Founder, plus links to British Airways)

A scheme of delegation is in place and the day to day operations of Dreamflight are the responsibility of the CEO.

Staff

During the year Dreamflight employed:

- Director/CEO (full time)
- Fundraising and Communications Manager (full time)
- Senior Administrator/Office Manager (part time)
- Fundraising and Communications Assistant (part time)
- Fundraising Events Assistant (part time)
- Accounts Assistant (part time)

Dreamflight operated with the Full Time Equivalent of 4 staff members. None of the Trustees take a salary or receive any other income from the charity.

Risk management

The Trustees and CEO conduct ongoing reviews of the risks the charity faces. Where appropriate systems and procedures have been established to mitigate these risks. Safeguarding Children issues are taken most seriously by the Trustees, as is the wellbeing of adult helpers through Moving and Handling awareness training. The Charity further reduces risk through insurance cover, including Charity, Public Liability and Medical Malpractice insurances.

Dreamflight

Trustees' Annual Report (Including Directors Report)

For the Year Ended 31 March 2022

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Dreamflight for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

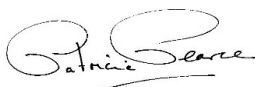
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures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

The Trustees are responsible for keeping adequate accounting records that 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Approved by the Directors on 15 August 2022 and signed on their behalf by:



Patricia Pearce
Director



David Gawn
Director

Dreamflight

Independent Auditor's Report to the members of Dreamflight

For the Year Ended 31 March 2022

Opinion on financial statements

We have audited the financial statements of Dreamflight for the year ended 31 March 2022 which comprise of the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, within includes the director's report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

Dreamflight

Independent Auditor's Report to the members of Dreamflight (continued)

For the Year Ended 31 March 2022

- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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Independent Auditor's Report to the members of Dreamflight (continued)

For the Year Ended 31 March 2022

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

David Green MA (Cantab) ACA (Senior Statutory Auditor)

For and on behalf of Azets Audit Services

Statutory Auditor & Chartered Accountants

Suites B & D

Burnham Yard

Beaconsfield

Buckinghamshire

HP9 2JH

15 August 2022

Dreamflight

Statement of Financial Activities (Including Income and Expenditure Account)

For the Year Ended 31 March 2022

	Note	2022 £	2021 £
Income:			
Donations and legacies	2	389,905	501,330
Charitable activities	3	-	91
Investment income	4	572	2,212
Other	5	32,705	-
Total income		<u>423,182</u>	<u>503,633</u>
Expenditure on:			
Charitable activities	6	311,028	353,346
Total expenditure		<u>311,028</u>	<u>353,346</u>
Net gains/(losses) on investments	11	34,709	263,003
Net income		<u>146,863</u>	<u>413,290</u>
Reconciliation of funds:			
Total funds brought forward		2,630,104	2,216,814
Total funds carried forward		<u><u>2,776,967</u></u>	<u><u>2,630,104</u></u>

The statement of financial activities includes all gains and losses recognised during the year.
All income and expenditure derive from continuing activities.

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Balance Sheet (company number 5963834)

For the Year Ended 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	10	1,288	2,669
Investments	11	1,549,296	1,024,586
		<u>1,550,584</u>	<u>1,027,255</u>
Current assets			
Debtors	12	31,158	16,975
Cash at bank and in hand		1,203,179	1,600,755
		<u>1,234,337</u>	<u>1,617,730</u>
Creditors: amounts falling due within one year	13	(7,954)	(14,881)
Net current assets		<u>1,226,383</u>	<u>1,602,849</u>
Net assets		<u>2,776,967</u>	<u>2,630,104</u>
Charity Funds			
Unrestricted general fund		2,776,967	2,630,104
Total funds		<u>2,776,967</u>	<u>2,630,104</u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and were approved by the Board on 15 August 2022 and signed on their behalf by:



Patricia Pearce
Founder



David Gawn
Chair

The accompanying notes form part of these financial statements.

Dreamflight

Statement of Cash Flows

For the Year Ended 31 March 2022

	2022 £	2021 £
Cash flow from operating activities		
Net income for the year	146,863	413,290
Interest received	(572)	(2,212)
Depreciation of tangible fixed assets	1,381	1,382
Gains on investments	(34,709)	(263,003)
(Increase) / decrease in debtors	(14,184)	16,542
Increase in creditors	(6,927)	(1,422)
Net cash flow from operating activities	<u>91,851</u>	<u>164,577</u>
Cash flow from investing activities		
Payments/receipts to acquire/sell investments	(490,001)	(2)
Interest received	572	2,212
Net cash flow from investing activities	<u>(489,427)</u>	<u>2,211</u>
Net increase/(decrease)in cash and cash equivalents	<u>(397,576)</u>	<u>166,789</u>
Cash and cash equivalents at 1st April 2020	1,600,755	1,433,966
Cash and cash equivalents at 31st March 2021	<u><u>1,203,179</u></u>	<u><u>1,600,755</u></u>

Dreamflight

Notes to the Financial Statements

For the Year Ended 31 March 2022

1. Summary of significant accounting policies

(a) General information and basis of preparation

Dreamflight is a charity incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 2 of these financial statements. The nature of the charity's operations and principal activities are to relieve young persons under the age of 18 years who are physically or mentally disabled or who are in need by reason of poverty, sickness or distress and in particular but without prejudice to the generality of the foregoing by the provision of holidays.

The charity constitutes a public benefit as defined by FRS 102. The financial statements have been prepared in pounds sterling under the historical cost convention, the Companies Act 2006, 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) and UK Generally Accepted Accounting Practice as it applies from 1 January 2020.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

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

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Gifts in kind are recognised when receivable and are included at fair value. They are not deferred over the life of the asset.

Dreamflight

Notes to the Financial Statements

For the Year Ended 31 March 2022

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend income is recognised as the charity's right to receive payment is established.

Other income includes the income from favourable movements in foreign exchange in the year.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

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. Indirect costs have been allocated to activities on a basis considered to be fair and reasonable.

Governance costs includes those costs associated with meeting the constitutional and statutory requirement of the charity and include audit fees and costs linked with the strategic management of the charity. Governance costs which cannot be allocated directly are apportioned on an appropriate basis.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(e) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life as follows:

Equipment over 4 years

(f) Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably.

(g) Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

(h) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include strategy development. The analysis of these costs is included in note 6.

Dreamflight

Notes to the Accounts

For the Year Ended 31 March 2022

(i) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(j) Going Concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2 Income from donations and legacies

	2022 £	2021 £
Gifts	218,642	316,244
Fundraising events	152,077	130,209
Legacies	7,000	-
Grants	12,186	54,877
	<u>389,905</u>	<u>501,330</u>

Dreamflight benefits greatly from the enthusiastic support and involvement of its many volunteers and supporters. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

3 Income from charitable activities

	2022 £	2021 £
Sale of goods and services	-	91
	<u>-</u>	<u>91</u>

4 Income from investments

	2022 £	2021 £
Interest received	572	2,212
	<u>572</u>	<u>2,212</u>

5 Other income

	2022 £	2021 £
Foreign exchange gain	32,705	-
	<u>32,705</u>	<u>-</u>

Dreamflight

Notes to the Accounts

For the Year Ended 31 March 2022

6 Analysis of expenditure on charitable activities

			2022 £	2021 £
	Annual trip	Governance	Total	Total
Direct cost of activities				
Calvert Trust Trip	39,809	-	39,809	-
Accommodation, coaches and other trip related expenses	3,997	-	3,997	28
Theme Park Tickets	-	-	-	(603)
Trip medical equipment and expenses	-	-	-	-
Childrens' money, currency, trip clothing, T-shirts, dvd/video production, trip equipment	2,578	-	2,578	6,672
Insurance	6,343	796	7,139	12,193
Fundraising and publicity	10,048	-	10,048	1,580
Purchase of merchandise	-	-	-	(6)
Foreign Exchange movements	-	-	-	67,933
Total direct costs	62,774	796	63,570	87,797
Support costs allocated to activities				
Staff costs (Note 8)	160,185	4,107	164,292	167,502
Office costs	30,894	792	31,686	41,444
Travelling & Subsistence expenses	1,886	472	2,358	(907)
Communications	15,565	-	15,565	31,042
Postage and stationery	2,146	-	2,146	1,609
Printing and design	1,334	-	1,334	783
Advertising	67	17	84	130
Bank charges	2,139	-	2,139	2,232
Subscriptions, licence fees, IT	9,765	3,255	13,019	7,212
Depreciation	1,381	-	1,381	1,382
Audit services	-	7,740	7,740	5,460
Consultancy & Professional fees	2,857	2,856	5,713	7,659
Total support costs	228,219	19,239	247,458	265,549
Total resources expended	290,993	20,035	311,028	353,346

The basis of allocation for the governance costs in the current and prior years is that 100% of trustees liability insurance, 1 of legal fees, 100% of audit & accountancy fees, 50% of consultancy & professional fees, 25% of subscriptions, licence fees, 20% of advertising, 20% of travelling expenses and 2.5% of staff costs and 2.5% of office costs are included within governance costs.

7 Net income for the year is stated after charging:

		2022 £	2021 £
Depreciation of tangible fixed assets		1,381	1,382
Operating lease rentals		24,148	24,148
Auditors' remuneration:	Audit services	7,740	5,460

8 Staff costs and numbers

	2022 £	2021 £
Staff costs were as follows:		
Salaries and wages	145,837	154,575
Social security costs	9,182	9,563
Pension Costs	8,676	3,191
Training and development	199	-
Payroll processing costs	173	173
Recruitment costs	225	-
	164,292	167,502

No employee earned more than £60,000 during the year (2021: nil).

The average number of employees during the year was 6 (2021: 6)

The average number of full-time equivalent employees during the year was 4 (2021: 4).

Dreamflight

Notes to the Accounts

For the Year Ended 31 March 2022

9 Trustee and key management personnel remuneration and expenses

During the year the trustees donated £3,278 (2021: £1,350) to the charity.

No remuneration was paid to the trustees during the current or prior years.

The following expenses were reimbursed to the trustees:

	2022	2021	2022	2021
	Trustees	Trustees	£	£
Travel expenses	4	0	2,544	-
			<u>2,544</u>	<u>-</u>

The cost of trustee indemnity insurance was £796 (2021: £796)

The key management personnel of the charity is the Chief Executive Officer

and the total key management personnel remuneration for the year is £70,000 (2021: £63,718).

10 Tangible fixed assets

	Equipment £
Cost	
At 1 April 2021	70,854
Additions in year	-
Disposals in year	-
At 31 March 2022	<u>70,854</u>
Depreciation	
At 1 April 2021	68,185
Charge for the year	1,381
On disposals	-
At 31 March 2022	<u>69,566</u>
Net book value	
At 31 March 2022	<u><u>1,288</u></u>
At 31 March 2021	<u><u>2,669</u></u>

Dreamflight

Notes to the Accounts

For the Year Ended 31 March 2022

11 Investments

	2022 £	2021 £
Unit Trusts		
Market value at 1 April 2021	1,024,586	761,581
Purchase of units	490,001	2
Gain/(loss) in value	34,709	263,003
Market value at 31 March 2022	<u>1,549,296</u>	<u>1,024,586</u>

12 Debtors

	2022 £	2021 £
Other debtors	12,214	6,338
Prepayments and accrued income	18,944	10,638
	<u>31,158</u>	<u>16,975</u>

Other debtors includes an amount of £4,604 (2021: £4,604) falling due after more than one year.

13 Creditors: amounts falling due within one year

	2021 £	2021 £
Trade creditors	529	2,600
Accruals and deferred income	6,831	12,282
Other creditors	594	-
	<u>7,954</u>	<u>14,881</u>

Included within other creditors is £594 (2021: £Nil) relating to the pension outstanding at the year end.

14 Analysis of net assets between funds

	Unrestricted funds 2022 £	Unrestricted funds 2021 £
Fixed assets	1,550,584	1,027,255
Debtors	31,158	16,975
Cash at bank and in hand	1,203,179	1,600,755
Creditors	(7,954)	(14,881)
Total	<u>2,776,967</u>	<u>2,630,104</u>

15 Commitments

Operating lease commitments

Total future minimum lease payments under non cancellable operating leases are as follows:

	2022 £	2021 £
Expiry date:		
Within one year	20,339	2,051
Between one and five years	19,674	3,185
	<u>40,013</u>	<u>5,236</u>

Other financial commitments

At the year end the charity had commitments of \$300,000 (2021: \$300,000) and £20,000 (2021: £20,000) for expenditure to be incurred on the October trip.