

DREAMCHASING
(A company limited by guarantee)
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2022

DREAMCHASING

(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MAY 2022

Trustees	Mr Ronald Dennis C.B.E Mr Clive C R Bannister Sir Nigel M Carrington Dr Charlotte Hall Miss Francesca Dennis Mr Christian Dennis
Company registered number	06070942
Charity registered number	1118488
Registered office	16 Great Queen Street London WC2B 5AH
Principal operating office	Kingsbourne Pinewood Road Virginia Water GU25 4PA
Independent auditor	Blick Rothenberg Audit LLP Chartered Accountants 16 Great Queen Street Covent Garden London WC2B 5AH
Solicitors	Withers LLP 16 Old Bailey London EC4M 7EG

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TRUSTEES' REPORT FOR THE YEAR ENDED 31 MAY 2022

The trustees present their annual report together with the audited financial statements of the company for the year 1 June 2021 to 31 May 2022. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 382 of the Companies Act 2006, the strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Reference and administrative information

Dreamchasing is registered as a Charity with the Charity Commission, registration number 1118488, and is a charitable company incorporated under the Companies Acts with company number 06070942.

The directors/trustees in office during the year and at the date of this report, together with the address of the Charity's principal and registered office, are as set out on page 1.

Objectives and activities

a. Policies and objectives

The Charity's objects are to maintain, support or contribute towards such one or more exclusively charitable purposes of charitable companies, institutions, associations, trusts or societies in the United Kingdom or elsewhere in the world.

The directors confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives; in planning for the future; and in setting the grant making policy for the year.

The Charity's objects are focused on providing opportunities to young people to develop to the best of their ability. The directors receive applications for donations from a wide variety of charitable institutions and individuals. The directors consider all requests which they receive and make such donations as they feel appropriate.

The directors request follow-up reports from the institutions and individuals who are awarded grants to ensure the terms of the award are met.

Achievements and performance

a. Main achievements of the company

Dreamchasing is a Charity which was formed and funded by Ron Dennis CBE in 2007 to help young people to achieve their aspirations and, through their successes, to become inspirational role models for others. The directors provide guidance and funding for educational and entrepreneurial proposals for young people who could not otherwise achieve their dreams. Charitable donations made to date have taken the form of grants for education, research or vocational training (normally in the fields of art, music, science or technology) or for broader humanitarian purposes. Where possible, Dreamchasing seeks to leverage grants by encouraging matched funding for its contributions.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

Achievements and performance (continued)

Dreamchasing's beneficiaries

During the year ended 31 May 2022, Dreamchasing supported the following initiatives:

Podium Analytics – seed funding

During the period ended 31 May 2019, £1,000,000 was granted to Podium Analytics, a Charity whose objects are collecting, researching and applying data to support the prevention and treatment of sports injuries in children and young adults. During the year ended 31 May 2020, a commitment was entered into with Podium Analytics to provide funding via a loan of up to £3 million pounds to be drawn down as and when required. This increased the total grant to Podium Analytics, as at 31 May 2020, to £4 million. On 31 May 2021, at which point £2 million of the loan of £3 million had been drawn down by Podium Analytics, the trustees entered into a loan waiver agreement under which there is no obligation on behalf of Podium Analytics to repay this drawn down loan of £2 million. The Trustees also agreed to convert the balance of the loan to a grant. During the current year under review, a further commitment of £4 million was entered into to help develop the charity's work.

Salmon's Brook School

A commitment totalling £190,000 was entered into for Salmon's Brook School to support the development of its Market Garden and the purchase of equipment for its new design and technology space. This commitment is expected to be fully met by 31 May 2023.

Frank Longford Charitable Trust

A three year commitment for £30,000 with the Frank Longford Charitable Trust, a charity which offers financial and mentoring support to young serving and ex-prisoners to continue their rehabilitation by studying for degrees at UK universities. £10,000 of the total commitment was paid in the previous year, and a further £10,000 paid in the current year with the balance payable in the year ending 31 May 2023.

Salute the NHS

To respond to the national effort needed to fight the Covid-19 pandemic, in April 2020 the Charity committed up to £1 million to launch a project for the production and delivery of one million nutritious ready meal packs to front-line NHS staff (at hospitals and also at their homes) involved in the COVID-19 response, and in particular need of support. The first delivery of nutritious meal packs was on 6th April 2020 to the John Radcliffe Hospital in Oxford. In early July 2020, having supplied 49 hospitals across the country during the Covid-19 pandemic lockdown, the target of delivering one million nutritious ready meal packs, which included over seven million food products, was met.

Since its inception, Dreamchasing has supported the following initiatives:

Humanitarian and education programmes in Uganda and Ethiopia

In order to support young people in Africa, Dreamchasing has partnered with Fida International, a Finnish Charity which runs almost 70 child and humanitarian aid programmes in Ethiopia and Uganda.

Dreamchasing has supported Fida since 2008 funding grants to support former child soldiers in Uganda and HIV orphans in Ethiopia. Fida raises 50% of its funding from the Finnish Government if it can raise a minimum of 15% from charities like Dreamchasing.

Bethlehem Family Project, Debre Zeit, Ethiopia

The first project Dreamchasing supported was started by Fida International in 2008. Since the project began, a total of 40 families have been accepted onto the sponsorship programme, and have been assisted out of poverty. All of the 40 families in the programme are poor and host one or more orphans in the Debre Zeit Town. The project helps with these families' housing, living and medical costs, school fees, uniforms, health education and adult literacy skills and in preparing the beneficiaries for involvement in different incomegenerating activities.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

Achievements and performance (continued)

In addition, Dreamchasing has separately paid the education costs of Samuel Mekkonen, an exceptional young man from Debre Zeit, enabling him to graduate from Rift Valley College with a Diploma in Pharmacy and to pass the entrance examination for a four year pharmacy degree programme.

Fida International – sponsorship programme in Ethiopia, Uganda and Burundi

In June 2019 the Charity completed its three-year commitment, with Fida International, and entered into a further two-year commitment to support their sponsorship programme which assists families in Ethiopia, Uganda, Kenya and Burundi out of poverty. All of the families in the programme are poor and host one or more orphans. The project helps with these families' housing, living and medical costs, school fees, uniforms, health education and adult literacy skills and in preparing the beneficiaries for involvement in different income generating activities. The amount of the commitment is €72,000, of which €18,000 was paid in the year ended 31 May 2020, €18,000 being payable in the year ending 31 May 2021, with €36,000 being payable in the year ending 31 May 2022. The obligation was discharged in the current year.

Emergency Relief Aid and Livelihood Promotion to Refugee, CAAF and Other Vulnerable Groups, Uganda
In Uganda, Dreamchasing's grants have supported the educational and medical costs of more than 236 families, most of whom include former child soldiers. The programme helps them and their communities to manage trauma, establish income-generating activities, improve crop and livestock production and enhance vocational skills and training.

J M Herbert Pardo

Dreamchasing's grant supported the work of Jose Manuel Herbert Pardo in building an orphan school in Mexico City for boys and girls from the poorest families to learn English and Spanish and to support their families with literacy skills in order to give them a better start in life.

Lyra in Africa

During the year ended 30 April 2018 a grant of £18,920 (US\$25,000) was awarded to Lyra in Africa, a Charity concerned with the advancement of education and the relief of poverty in Africa. The main activities currently focus on Tanzania where Lyra finances the construction of girls' dormitories and teachers' accommodation for village schools and also pays for a field officer to train villagers in running VSLAs (Village Savings and Loan Associations).

Action for Happiness

Founded by Lord Layard, Geoff Mulgan & Dr Anthony Seldon, Action for Happiness is a charity which aims to encourage and support the move to a happier society through engaging a wide audience to inspire people to make positive changes in their personal lives, homes, schools, workplaces and communities, and ultimately to trigger a mass movement for cultural change. In 2010, Dreamchasing provided a grant of £100,000 to help launch the Happiness Movement.

The Charity completed its three year commitment entered into in the year ended 30 April 2017 with the Young Foundation/Action for Happiness and during the year ended 31 May 2021 entered into a further three year commitment. The amount of the commitment is £75,000, of which £25,000 was paid in the year ended 31 May 2020, with £25,000 being paid in each of the years ended 31 May 2021 and 31 May 2022.

Royal Academy of Arts

During the year the ended 31 May 2020 Charity made a gift of £25,000 to the Royal Academy of Arts to fund between four and eight student bursaries, which was distributed by the Royal Academy of Arts schools.

Brown Rock Woodland Project – to support its Study Programme for 16 to 19 year olds

During the period ended 31 May 2019 the Charity entered into a three year commitment to provide funding to the Brown Rock Woodland Project over a three year period to support its Study Programme for 16 to 19 year olds.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

Achievements and performance (continued)

The Brown Rock Woodland Project is a sustainable woodland management project providing opportunity for all to engage with and benefit from the great outdoors. The grant will help create a unique approach to education, nature, wellbeing and conservation at a nationally recognised centre of excellence in nature based education, and create an accredited training plan that is underpinned by nature and well-being with curriculum-led material that aligns with that required by the 16 to 19 year olds Study Programme. The amount of the commitment is £122,500, of which £65,000 was paid in the period ended 31 May 2019. Originally £35,000 was payable in the year ended 31 May 2020 and £22,500 was payable in the year ended 31 May 2021. Due to the Covid-19 pandemic the Brown Rock Woodland was unable to host visitors and therefore the commitments were deferred. £24,500 was paid in the current year with the balance payable in the year ending 31 May 2023.

Supporting vulnerable children in the UK

In order to support vulnerable children in the UK to achieve their educational goals, Dreamchasing has partnered with Royal National Children's Foundation (formerly JET). This charity provides grants and boarding school places to vulnerable children aged 7-18 who have suffered trauma, tragedy and neglect. To date, Dreamchasing has made donations to help pay the school fees of 15 children whose educational or emotional development would otherwise have been compromised or threatened by adverse home, school or family circumstances

Supporting exceptional young people to realise their dreams

Since 2010, Dreamchasing has provided educational and vocational funding to support five exceptional young people through the following initiatives:

Funding amounting to £30,000 was given to a textile designer who graduated from Chelsea College of Art in 2010, for a studio and resources to enable her to dedicate herself to developing her design skills.

A grant of £12,000 was made to a South African student, to undertake art and design foundation studies at Central Saint Martin's College of Arts and Design.

A grant of £10,000 was given to a British clay target shooter who took the gold medal for England at the Commonwealth Games in Delhi, to enable him to train for the 2012 Olympics. A gifted music student, who was awarded a much sought after place at the Royal Academy of Music to study a Masters Degree, was awarded a grant of £5,000.

A talented musician who needed financial support to enable her to attend the Institute of Contemporary Music was awarded a grant of £5,000.

Other charities supported

Dreamchasing has made donations to the following organisations:

Pay It Forward – a foundation aimed at creating a positive 'ripple effect' through acts of kindness and asking the beneficiary of a good deed to repay it forward instead of to the original benefactor.

Starlight Children's Foundation – grants wishes of a lifetime to seriously and terminally ill children and entertains over 500,000 children with fun and laughter in every hospital and hospice throughout the UK.

Disability Rights International – promotes the human rights and full participation in society of people with disabilities worldwide.

Tommy's the Baby Charity - since inception the Charity has awarded Tommy's the Baby Charity a reduction in rent of £1,225,519. Under the current agreement running from 24 June 2017, so long as Dreamchasing is the

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

Achievements and performance (continued)

freeholder of the property the annual rent from 24 June 2017 that Tommy's will pay is £70,000. If Dreamchasing sells the freehold interest it will either reimburse Tommy's directly or the new freeholder, the difference between the commercial value of the rent under the tenancy agreement with Tommy's and £70,000. Additionally, the Charity also granted Tommy's the Baby Charity two rent free periods for the quarters commencing 25th March 2020 and 29th September 2020 to assist with funding during the pandemic.

Financial review

a. 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.

b. Reserves policy

It is the policy of the Charity to maintain free reserves, at a level to provide sufficient funds to cover management, administration costs and donations. Any balances in excess of this are considered to be available for investment. The directors consider an amount of £100,000 should be set as free reserves. Free reserves, being those funds not tied up in fixed assets, amount to £4,898,281 (2021: £4,904,611). The Trustees will continue to take steps to identify projects so that the reserves can be reduced to a lower level over the short to medium term.

The restricted reserves of £1,574,235 (2021: £5,523,635) have been earmarked for donations for educational purposes and for the work of Podium Analytics.

c. Financial Review

Income amounted to £312,765 (2021: £671,472), being rental income of £173,405 (2021: £139,426), donated services of £88,760 (2021: £110,732) and donations of £50,600 (2021: £421,314). After governance costs, support costs and other resources expended, the charity made donations of £4,004,405 (2021: £4,030,602). There was no movement on the property valuation (2021: loss £389,131). The charity recognised a net decrease in funds of £3,945,729 (2021: decrease £4,007,070). At 31 May 2022, the charity had net funds of £13,858,768 (2021: £17,804,497), the unrestricted fund having net funds of £12,284,532 (2021: £12,280,862) and the restricted fund having net funds of £1,574,235 (2021: £5,523,635).

d. Investments policy

The Charity's assets are invested in accordance with the powers available to the trustees as set out in the Memorandum and Articles of Association. There are no restrictions on the Charity's power to invest. The Charity's principal investment is its freehold property.

e. Future developments

The directors intend to continue making grants to charitable institutions from the annual income of the Charity and to identify longer term projects which will utilise the reserves.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

Structure, governance and management

a. Constitution

The Charity is constituted as a company limited by guarantee and was incorporated on 26 January 2007. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1 each.

b. Methods of appointment or election of trustees

The current directors have power to appoint new directors, subject to a maximum number of seven. Where there is a requirement for additional or new directors, these would be identified by the remaining directors.

The current directors are responsible for the induction of any new directors which involves awareness of a director's responsibilities, the governing document, administrative procedures, and the history of the Charity. A new director receives a Welcome Pack which includes copies of the previous years' annual report and financial statements, a brief history of the Charity and a copy of the governing document. The pack also includes a copy of the Charity Commission "Charity Trustee Welcome Pack" published on 30 April 2018.

c. Organisational structure and decision-making policies

The Charity's general policy and direction is set by its directors with routine administration outsourced to a third party, as it employs no staff.

The directors examine the major risks that the Charity faces each financial year and have developed systems to monitor and control those risks to mitigate any impact they may have on the Charity in the future.

The directors have systems in place to identify any conflicts of interest that may occur. When a conflict of interest arises, the relevant director or directors agree to withdraw from any discussion and decision.

d. Financial risk management

The trustees have assessed the major risks to which the company is exposed, in particular those related to the operations and finances of the company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Members' liability

The Members of the company guarantee to contribute an amount not exceeding £1 to the assets of the company in the event of winding up.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

Statement of trustees' responsibilities

The trustees (who are also the directors of the company for the purposes of company law) are responsible for preparing the trustees' 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. 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 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 then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

Each of the persons who are trustees at the time when this trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charity's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

Approved by order of the members of the board of trustees and signed on their behalf by:



Mr Ronald Dennis C.B.E
Trustee

Date: 18th April 2023

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DREAMCHASING

FOR THE YEAR ENDED 31 MAY 2022

Opinion

We have audited the financial statements of Dreamchasing (the 'charitable company') for the year ended 31 May 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2022 and of its incoming resources and application of resources, including 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 Charities Act 2011.

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 United Kingdom, including the Financial Reporting Council'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 charitable 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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DREAMCHASING (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DREAMCHASING (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with the Act 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Charity.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and a review of the appropriate records.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify potential management bias;
- carried out a review of cut off procedures for income and expenses;
- reviewed the allocation of income and expenses between restricted and unrestricted funds
- reviewed the rationale for significant or unusual transactions and
- assessed whether grant and donation income has been correctly recognised.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation.
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DREAMCHASING (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members 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 and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Hart FCA CTA (senior statutory auditor)
for and on behalf of
Blick Rothenberg Audit LLP
Chartered Accountants
Statutory Auditor
16 Great Queen Street
Covent Garden
London
WC2B 5AH

Date: 18 April 2023

Blick Rothenberg Audit LLP are eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

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STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MAY 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	3	50,600	88,760	139,360	532,046
Investments	4	-	173,405	173,405	139,426
Total income		50,600	262,165	312,765	671,472
Expenditure on:					
Raising funds	5	-	95,189	95,189	72,041
Charitable activities	7	4,000,000	163,305	4,163,305	4,217,371
Total expenditure		4,000,000	258,494	4,258,494	4,289,412
Net movement in funds before other recognised gains/(losses)		(3,949,400)	3,671	(3,945,729)	(3,617,940)
Other recognised gains/(losses):					
Losses on revaluation of fixed assets		-	-	-	(389,131)
Net movement in funds		(3,949,400)	3,671	(3,945,729)	(4,007,071)
Reconciliation of funds:					
Total funds brought forward		5,523,635	12,280,862	17,804,497	21,811,568
Net movement in funds		(3,949,400)	3,671	(3,945,729)	(4,007,071)
Total funds carried forward		1,574,235	12,284,533	13,858,768	17,804,497

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

The notes on pages 15 to 28 form part of these financial statements.

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BALANCE SHEET
FOR THE YEAR ENDED 31 MAY 2022

	Note	2022 £	2021 £
Fixed assets			
Investment in subsidiary	12	1	1
Investment property	11	7,386,250	7,386,250
		<u>7,386,251</u>	<u>7,386,251</u>
Current assets			
Debtors	13	183,216	236,437
Cash at bank and in hand		9,683,443	11,642,821
		<u>9,866,659</u>	<u>11,879,258</u>
Creditors: amounts falling due within one year	14	(3,394,143)	(1,451,012)
Net current assets		<u>6,472,516</u>	<u>10,428,246</u>
Total assets less current liabilities		<u>13,858,767</u>	<u>17,814,497</u>
Creditors: amounts falling due after more than one year	15	-	(10,000)
Total net assets		<u><u>13,858,767</u></u>	<u><u>17,804,497</u></u>
Charity funds			
Restricted funds	16	1,574,235	5,523,635
Unrestricted funds	16	12,284,532	12,280,862
Total funds		<u><u>13,858,767</u></u>	<u><u>17,804,497</u></u>

The trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the trustees and signed on their behalf by:

Mr Ronald Dennis C.B.E

Trustee

Date: 18th April 2023

The notes on pages 15 to 28 form part of these financial statements.

DREAMCHASING

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

1. General information

The Charity is a company limited by guarantee registered in England and Wales. Its principal office is Kings Bourne, Pinewood Road, Virginia Water, Surrey GU25 4PA. The members of the company are the Trustees named on page 1. 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 financial statements are presented in Sterling (£).

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Dreamchasing 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.

2.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months from the date the financial statements were approved. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Income

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

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

DREAMCHASING

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

2. Accounting policies (continued)

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the company's objectives, as well as any associated support costs.

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

2.5 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.6 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.7 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

DREAMCHASING

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

2. Accounting policies (continued)

2.7 Liabilities and provisions (continued)

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

2.8 Financial instruments

The company has elected to apply Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and financial liabilities are recognised when the company becomes 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 company after deducting all of its liabilities.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans and loans from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

Impairment of financial assets

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

DREAMCHASING

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

2. Accounting policies (continued)

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.9 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the company 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 company for particular purposes. The costs 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.

Investment income, gains and losses are allocated to the appropriate fund.

DREAMCHASING

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

3. Income from donations and legacies

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	50,600	88,760	139,360	532,046
Total 2021	421,314	110,732	532,046	

4. Investment income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Rental income receivable	168,508	168,508	135,963
Interest receivable	4,897	4,897	3,463
	173,405	173,405	139,426

5. Expenditure on raising funds

Fundraising trading expenses

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Direct property costs	95,189	95,189	72,041

DREAMCHASING

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

6. Analysis of grants

	Grants to Institutions 2022 £	Total funds 2022 £	Total funds 2021 £
Grant funding to institutions	4,004,405	4,004,405	4,030,602
Total 2021	4,030,602	4,030,602	

The company has made the following material grants to institutions during the year:

Name of institution	2022 £	2021 £
Podium Analytics	4,000,000	3,015,595
Salute Operations Hub Limited	-	725,000
RHS Wisley	-	63,107
Frank Longford Charitable Trust	-	30,000
Salmon's Brook School	-	190,000
Unique Handicrafts	-	6,900
Bell Afghan	4,405	-
	4,004,405	4,030,602
	4,004,405	4,030,602

DREAMCHASING

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

7. Analysis of expenditure on charitable activities

Summary by fund type

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total 2022 £	Total 2021 £
Grant funding to institutions	4,000,000	163,068	4,163,068	4,218,441
Bank charges	-	174	174	175
Foreign exchange	-	63	63	(1,245)
	<u>4,000,000</u>	<u>163,305</u>	<u>4,163,305</u>	<u>4,217,371</u>
Total 2021	<u>1,000,000</u>	<u>3,217,371</u>	<u>4,217,371</u>	

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Grant funding to institutions	88,760	4,004,405	69,903	4,163,068	4,218,441
Bank charges	-	-	174	174	175
Foreign exchange	-	-	63	63	(1,245)
	<u>88,760</u>	<u>4,004,405</u>	<u>70,140</u>	<u>4,163,305</u>	<u>4,217,371</u>
Total 2021	<u>110,732</u>	<u>4,030,602</u>	<u>76,037</u>	<u>4,217,371</u>	

Analysis of direct costs

	Grant funding to institutions 2022 £	Total funds 2022 £	Total funds 2021 £
Donations in kind	<u>88,760</u>	<u>88,760</u>	<u>110,732</u>

DREAMCHASING

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

8. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

During the year the Charity received rent of £70,000 (2021: £48,027) from Tommy's The Baby Charity. So long as Dreamchasing is the freeholder of the property the annual rent from 24 June 2017 that Tommy's will pay is £70,000. If Dreamchasing sells the freehold interest it will either reimburse Tommy's directly or the new landlord, the difference between the commercial value of the rent under the tenancy agreement with Tommy's and £70,000. The difference was £88,760 (2021: £110,732), and is shown as donated services within both incoming and outgoing resources. The Trustees granted Tommy's a rent free period for the quarters commencing 25th March 2020 and 29th September 2020. Taking into account these rent free quarters, the difference for the year ended 31 May 2021, hence the larger value.

Analysis of support costs

	Grant funding to institutions 2022 £	Bank charges 2022 £	Foreign exchange 2022 £	Total funds 2022 £	Total funds 2021 £
Professional fees	51,765	174	63	52,002	55,386
Advertising	4,100	-	-	4,100	-
Governance costs	14,038	-	-	14,038	20,651
	<u>69,903</u>	<u>174</u>	<u>63</u>	<u>70,140</u>	<u>76,037</u>
Total 2021	<u>77,107</u>	<u>175</u>	<u>(1,245)</u>	<u>76,037</u>	

9. Auditor's remuneration

	2022 £	2021 £
Fees payable to the company's auditor for the audit of the company's annual accounts	6,338	7,050
Fees payable to the company's auditor in respect of:		
All non-audit services not included above	<u>31,463</u>	<u>56,456</u>

10. Trustees' remuneration and expenses

During the year, no trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 May 2022, no trustee expenses have been incurred (2021 - £NIL).

DREAMCHASING

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

11. Investment property

	Freehold investment property £
Valuation	
At 1 June 2021	7,386,250
At 31 May 2022	<u>7,386,250</u>

The historical cost of the investment property is £5,216,307 (2021: £5,216,307). The investment property was valued on an open market basis at 31 May 2022 by the Trustees. the Trustees considered that there was no change in the market value in the year.

12. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 June 2021	1
At 31 May 2022	<u>1</u>
Net book value	
At 31 May 2022	1
At 31 May 2021	<u>1</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

12. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the company:

Name	Company number	Registered office or principal place of business	Principal activity
Salute Operations Hub Limited	12544314	Third Floor, 20 Old Bailey, London, United Kingdom, EC4M 7AN	Provision of meals to the NHS during the pandemic

Class of shares	Holding
ordinary	100%

The financial results of the subsidiary for the year were:

Name	Net assets £
Salute Operations Hub Limited	1

13. Debtors

	2022 £	2021 £
Due within one year		
Amounts owed by group undertakings	963	-
Other debtors	176,530	225,324
Prepayments and accrued income	5,723	11,113
	183,216	236,437

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

14. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	36,339	-
Other taxation and social security	5,363	635
Other creditors	131,366	118,289
Accruals and deferred income	9,075	24,008
Grants accrued - institutional	3,212,000	1,308,080
	<u>3,394,143</u>	<u>1,451,012</u>

15. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Accrued grants payable to institutions	-	10,000
	<u>-</u>	<u>10,000</u>

16. Statement of funds

Statement of funds - current year

	Balance at 1 June 2021 £	Income £	Expenditure £	Balance at 31 May 2022 £
Unrestricted funds				
General Funds - all funds	<u>12,280,862</u>	<u>262,165</u>	<u>(258,495)</u>	<u>12,284,532</u>
Restricted funds				
Educational projects	5,292,671	-	(4,000,000)	1,292,671
Salute the NHS	230,964	50,600	-	281,564
	<u>5,523,635</u>	<u>50,600</u>	<u>(4,000,000)</u>	<u>1,574,235</u>
Total of funds	<u>17,804,497</u>	<u>312,765</u>	<u>(4,258,495)</u>	<u>13,858,767</u>

DREAMCHASING

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 June 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 May 2021 £
Unrestricted funds					
General Funds - all funds	13,218,651	223,652	(772,310)	(389,131)	12,280,862
Restricted funds					
Podium Analytics	3,015,595	-	(3,015,595)	-	-
Salute the NHS	284,650	421,314	(475,000)	-	230,964
Educational projects	5,292,671	-	-	-	5,292,671
	8,592,916	421,314	(3,490,595)	-	5,523,635
Total of funds	21,811,567	644,966	(4,262,905)	(389,131)	17,804,497

17. Summary of funds

Summary of funds - current year

	Balance at 1 June 2021 £	Income £	Expenditure £	Balance at 31 May 2022 £
General funds	12,280,862	262,165	(258,495)	12,284,532
Restricted funds	5,523,635	50,600	(4,000,000)	1,574,235
	17,804,497	312,765	(4,258,495)	13,858,767

DREAMCHASING

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

17. Summary of funds (continued)

Summary of funds - prior year

	Balance at 1 June 2020 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 May 2021 £
General funds	13,218,651	223,652	(772,310)	(389,131)	12,280,862
Restricted funds	8,592,916	421,314	(3,490,595)	-	5,523,635
	<u>21,811,567</u>	<u>644,966</u>	<u>(4,262,905)</u>	<u>(389,131)</u>	<u>17,804,497</u>

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Fixed asset investments	1	-	1
Investment property	-	7,386,250	7,386,250
Current assets	1,574,234	8,292,425	9,866,659
Creditors due within one year	-	(3,394,143)	(3,394,143)
Total	<u>1,574,235</u>	<u>12,284,532</u>	<u>13,858,767</u>

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Fixed asset investments	-	1	1
Investment property	-	7,386,250	7,386,250
Current assets	6,539,185	5,340,073	11,879,258
Creditors due within one year	(1,015,550)	(435,462)	(1,451,012)
Creditors due in more than one year	-	(10,000)	(10,000)
Total	<u>5,523,635</u>	<u>12,280,862</u>	<u>17,804,497</u>

DREAMCHASING

(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

19. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £NIL for the debts and liabilities contracted before he/she ceases to be a member.