

REGISTERED COMPANY NUMBER: 08300450
REGISTERED CHARITY NUMBER: 1151414

**REPORT OF THE TRUSTEES
AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 JUNE 2021
FOR
DZI FOUNDATION UK**

COLIN GRAY & CO LIMITED
Chartered Accountants
Hardy House
Northbridge Road
Berkhamsted
Hertfordshire
HP4 1EF

DZI FOUNDATION UK

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STATEMENTS
for the Year ended 30 June 2021**

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DZI FOUNDATION UK

REPORT OF THE TRUSTEES for the Year ended 30 June 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2021. The trustees have adopted the provisions of 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 2015).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

08300450 (England and Wales)

Registered Charity number

1151414

Registered office

89 Park Avenue South London
N8 8LX

Trustees

D Beacon (resigned 10 June 2021)
E W O Douglas
W A Liske
P Mulholland

Objectives and Activities

Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's objectives and aims and in planning future activities.

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Activities and specific objectives

The Charity's objects are to relieve the needs of people living in remote and impoverished areas of the world, to enable access to education, workforce opportunities, healthcare, accommodation and other essentials of life including:

- providing or assisting in the provision of projects to develop and/or maintain infrastructures and other facilities, including schools, water facilities and accommodation whilst maintaining sensitivity to and preserving the cultural traditions and religions of such people.
- provision of financial assistance

The Charity currently works exclusively in Nepal.

DZi Foundation UK is part of the global dZi Foundation network. The dZi Foundation holds an office in Colorado, United States and an office in Kathmandu, Nepal. DZi Foundation US began its work supporting programmes in the Himalaya in 1998. DZi Foundation UK was created and registered as a charity in the UK in 2013 to be a sister organization to work in partnership with dZi Foundation US. Both charities are legally autonomous and separate charities registered in their respected countries. However, staff and Trustees from dZi US and dZi UK work closely together with the collective objective to support programmes in Nepal.

In order to achieve its objectives, the Charity works together with its sister organisations within the global dZi network for specific project work in Nepal which is locally shaped and carefully monitored and assessed by the trustees.

Achievements and performance

In alignment with the mission of the charity, the dZi Foundation UK's main objective is to directly impact projects and support positive outcomes for remote communities in Nepal. The dZi Foundation's Deep Development model means that the communities themselves are envisioning and developing the projects based on local need. Because projects are created by the communities there is an enormous level of local investment and active participation around the development, implementation, and long-term sustainability of the projects.

During the 2020-2021 fiscal year, dZi Foundation UK continued its multi-year support of the community of Dobbane. At the same time, dZi Foundation UK also provided support to multiple communities through a variety of different projects. During this fiscal year, funds from dZi Foundation UK went towards the following projects: The reconstruction of the Aitebare Primary School and Chandrawati Primary School in the community of Dobbane, the Nunkhola truss bridge connecting the communities of Cherem and Nazing, the dZi radio programme broadcasting in 37 districts across Nepal, and the dZi agricultural programme currently being conducted in 13 communities.

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The community of Dobhane:

The dZi Foundation UK has made a commitment -- thanks to the support from a consortium of donors -- to fund projects in Dobhane for three years. The 2020-2021 fiscal year marks the third consecutive year that dZi UK has supported work in the community of Dobhane. Over the past two years, dZi UK has funded multiple projects in Dobhane including a large drinking water system that positively impacted 560 people as well as the reconstruction of a large primary school. During the 2020-2021 fiscal year, dZi UK and the community of Dobhane focused their work on reconstructing two primary schools. Both schools were damaged during the 2015 earthquakes. The damage has left the structures unsafe and vulnerable. However, due to a lack of funding and support, the students and teachers have continued to go to school in these classrooms for the past 6 years despite the damage. The community of Dobhane identified the essential need to reconstruct both the Aitebare Primary School and the Chandrawati Primary School in order to provide a safe place for children to continue to go to school.

Aitebare Primary School:

The 2020-2021 fiscal year was the second year that dZi UK and the community of Dobhane worked on reconstructing the Aitebare Primary School. During the 2019-2020 fiscal year, during phase one of the reconstruction project, dZi UK funded the reconstruction of three school blocks as well as a water station at the school for handwashing and drinking. The 2020-2021 fiscal year saw the completion of the second and final phase of the project. During this fiscal year, dZi UK funded the reconstruction of two school blocks. Over this two-year period, dZi UK and the community of Dobhane reconstructed 5 school blocks and added a water station. It is estimated that this project benefits 144 students who now have a safe and clean place to learn—also reducing anxiety for parents who were worried about sending their children to school in the previously unsafe and vulnerable structure.

Chandrawati Primary School:

During the 2020-2021 fiscal year, dZi UK and the community of Dobhane also built three classroom blocks of the Chandrawati Primary School. These three blocks hold 6 classrooms in total. In addition to building the classroom blocks, the community built a drinking water system accessible for school children. The community of Dobhane also identified the need to build a fence around the perimeter of the school to ensure student safety. The construction and installation of this fence was completed as a part of this project. It is estimated that this project benefits 198 students (100 boys and 98 girls) from 165 households. Like the Aitebare School, these students now have a safe and physically beautiful school which allows students to be able to focus solely on their studies without concern about safety or cleanliness.

Nunkhola Truss Bridge:

During the 2020-2021 fiscal year, dZi UK funded the construction of a new truss bridge spanning a fast-flowing river between the villages of Cherem and Nazing. During the monsoon season, when the river is running very high and fast, crossing the river can be extremely challenging and dangerous, sometimes resulting in the loss of life and loss of livestock. However, there is a need for community members to travel between the two villages of Cherem and Nazing, despite the dangerous river-crossing, in order to access schools, markets, and healthcare. Therefore, dZi UK and the local community worked to build a truss bridge over the river that would ensure safe crossing and allow for people to continue essential travel between the two communities. The Nunkhola Truss Bridge benefits more than 100 people from 21 households.

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Dhodeni Drinking Water Project, Moheswori, Khotang:

Dhodeni is a small village comprised of 52 households in the community of Moheswori in the district of Khotang. DZi has worked with the community of Moheswori since 2013 and has completed 12 projects in Moheswori over the past 8 years. Based on a request from community members of Dhodeni and the recommendation based on a needs assessment, dZi worked with the community of Dhodeni to build a drinking water system.

The system collects water from a nearby water source and distributes it through pipelines and 20 big and small tanks. As a part of this water system, 56 taps were installed, and 280 community members are directly benefiting from this drinking water project. This clean water is being used for drinking, irrigation, sanitation purposes, and feeding livestock. DZi UK supported the development of this water project during the 2019-2020 fiscal year when the majority of the work was carried out. DZi UK funded the completion of this project in the 2020-2021 fiscal year.

Drinking water projects, such as this one, are extremely valuable for the health and safety of communities. Having accessible, clean drinking water from a tap near homes means that community members save several hours a day as they do not need to walk through difficult terrain for a lengthy period of time to fetch water. Children and young adults who previously would have spent hours fetching water each day are able to spend more time at school. This is particularly important for girls and young women who are often tasked with fetching water. Having an accessible water tap near homes improves school attendance and allows for girls/ young women to focus on school. Moreover, the journey to fetch water from a river is often over difficult terrain which can result in accidents and injuries. Having a household water tap means an improvement in health and a reduction in accidents.

Radio Programme:

The 2020-2021 year was the first year that dZi UK supported the radio programme that is run by dZi in the Bhojpur working area. The dZi radio programme is broadcast from Khadbari FM through Sankhuwasaba Community Radio. The programme consists of 30 minutes episodes that discuss the current projects and initiatives of dZi and its partner communities. The radio programme has been a powerful way of reaching a large audience to educate the communities about dZi and its projects as well as public health initiatives. Along with focusing on dZi's projects, the 30-minute episodes also discuss the on-going pandemic and emphasises Covid health and safety protocols that community members should practice. The radio programme is broadcast in 37 districts across Nepal.

Agricultural Programme:

The dZi Foundation has over nine years of experience designing, implementing, and refining agriculture and livelihoods programming in dZi partner communities. Nepal's isolated communities are changing faster than ever before. In dZi partner communities, villages that have survived for hundreds of years through subsistence farming are faced with an immediate need to adapt in order to integrate with the cash economy. Residents are primarily subsistence farmers, scraping out a living much as they have for hundreds of years with little opportunity to earn money. The average per-capita income in this area is approximately £367 per year (£1/day), according to Nepal Government statistics. The majority of households in dZi partner communities cannot grow enough crops to sustain themselves throughout the year. Families depend almost entirely upon migration for income – either through employment as porters on trekking expeditions or in menial labour jobs abroad.

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There are three primary outcomes of the dZi Agricultural programme with two positive secondary outcomes. The primary outcomes are:

1. Supporting farmers groups to establish savings and loan programmes which allow for families to have a secure means of saving
2. Supporting farmers to increase their annual income through commercial farming (selling their crops at markets) allowing for more financial security.
3. Training farmers on entrepreneurial skills and business growth giving them the tools to effectively grow and sell their products allowing for long term independence and sustainability.

The secondary outcomes include:

1. Improved nutrition for families in dZi working areas through the cultivation of a wide variety of fresh vegetables in kitchen gardens. Each of these homes have a robust kitchen garden with at least three types of vegetables grown year-round for household consumption and barter or sale.
2. Minimise environmental damage and soil degradation through establishing effective organic cultivation methods for all farmers in the programme. The focus on organic farming techniques reduces dangerous dependency on costly (and potentially harmful) external materials. DZi's approach focuses upon using locally-available materials and farming in a thoughtful manner that values both soil health and human health

The dZi agricultural programme in Nepal currently supports 3,974 farmers from 205 farmers group in 13 remote communities. DZi has phased out 1,118 farmers from 58 farmers' groups that have matured through several stages of the agriculture programme. These groups were handed over to the local government; now they are eligible to receive government subsidies and are formally registered with the government. Currently, dZi is working with 147 active farmers' groups and 2,856 farmers. During the 2020-2021 fiscal year, funds from dZi UK went towards supporting dZi's agricultural programme.

Review of activities

During this accounting period, the Trustees continued their focus on fundraising and promoting the important and meaningful work of the charity to a larger audience. Due to the on-going pandemic and restrictions on travel and gathering, the vast majority of dZi UK's fundraising work took place virtually and online. dZi UK continued to collaborate and partner closely with dZi US to strengthen and support dZi initiatives on a global scale. The entire global organisation underwent a lengthy process to develop a 5-year strategic plan; gathering insight and input from stakeholders at all levels of the organisation. The Trustees also continued to support the Dobhane Consortium. The Consortium has dedicated a significant amount of funding to the community of Dobhane over the past three years and has had a profound impact on that rural community—as detailed in the section above. The charity also saw an increased number of community donors through the dZi website; many of whom have committed to being monthly donors. This increase was due to online fundraising appeals and quarterly newsletters sent out by the global dZi network. The charity was planning an event at the Alpine Club in London to be held in the summer of 2021. Unfortunately, due to Covid related travel restrictions, the charity had to postpone the event. The Trustees are optimistic that the event can be held in early summer 2022.

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Overall, the 2020—2021 fiscal year was an incredibly successful year for dZi Foundation UK, despite the on-going challenges and limitations due to the pandemic. We maintained and supported multi-year commitments from numerous donors, continued to receive income through grants, saw an increase in new donors and monthly donors, and expanded our digital fundraising. All of this allowed us to significantly increase the income to the charity which enabled us to send more money to Nepal and have a greater impact on the projects the charity supports. We continue to maintain a strong and committed trustee team and two dedicated freelance staff whilst keeping our operational costs low. All of this allows us to feel confident in our positioning moving forward.

Income of £114,851 was received between 1 July 2020 and 30 June 2021 and came in the form of donations and grants.

Plans for future periods

The dZi Foundation UK's plan for the future will continue to be focused on increasing its support of projects in Nepal. In the coming fiscal year, dZi UK will continue to focus on its relationship with the community of Dobhane and raising funds through the Consortium and the Alpine Club event to support that community. In Dobhane, the community and dZi UK aim to construct both a drinking water system and a truss bridge. DZi UK will also expand its support in Nepal by providing funds for projects in the community of Jyamire. In Jyamire, the primary focus of work for dZi UK will be on the reconstruction of a primary school. DZi UK also plans to provide funding to help the communities that dZi works with in Nepal with the on-going Covid-19 crisis. This funding will provide critical medical supplies and equipment to help healthcare centres as well as individuals infected with Covid who are quarantining at home.

In order to achieve these project objectives, the charity will continue its successful model of fundraising through individual donors, grants, and, if pandemic restrictions ease, community events.

Structure, governance and management Constitution

The dZi Foundation UK is a company limited by guarantee incorporated in England and Wales (registered number 08300450) and is governed by its Memorandum and Articles of Association dated 20 November 2012. It is also registered with the Charity Commission, charity registration number 1151414.

Organisation

Potential new trustees are generally recruited through the current trustees' networks and are specifically sought out to fill a particular gap or because of a unique skill set that would positively serve the charity. New trustees are appointed only after a vote of approval from the existing Trustees. New trustees are given in-depth information from the current trustees about the charity's objectives, activities, current fundraising initiatives, the status of projects in Nepal, and the charity's financial standing. Trustees are also provided with guidance from the Charity Commission and Companies House about the roles and responsibilities that they have as Trustees. Trustees are regularly updated on Charity Commission best practices and are encouraged to continue strengthening their knowledge and skills to fulfil the Trustee role.

DZI FOUNDATION UK

The trustees, who served throughout the financial year, except as stated below were as follows :

Trustees

W Liske
P Mulholland
D Beacon (resigned 10 June 2021)
E W O Douglas

Key management personnel

The trustees consider that they comprise the key management personnel of the charity along with a part time Administrative Director. The Administrative Director works closely with a part time Grant Writer. Both of these part time positions are paid on a consultancy basis at a rate agreed upon by the Trustees.

Trustees' responsibilities statement

The trustees (who are directors of the dZi Foundation UK for the purposes of company law) are responsible for preparing the trustees' report and 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 period which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity 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 financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charity's auditors are unaware; and
- the trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Risk management

On an on-going basis, the trustees assess the risks to which the charity is exposed and establish or refine systems and structures in order to greatly mitigate those risks. The trustees mitigate regulatory and compliance risks by informing themselves of all requirements and ensuring that these requirements are being met by the charity in order to comply with the laws. External factors such as natural disasters or political unrest in Nepal are mitigated through frequent communication with the Nepal office and a strong cultural, political awareness by our staff in Nepal. Fundraising is and will continue to be a primary focus of the staff and trustees in order to continue to meet the objectives of the charity. The trustees are confident that they have taken the necessary and diligent steps to establish systems, policies, and procedures in order to greatly minimise these risks.

Financial report for the period

Results for the period

The charity's total income for the financial period between 1 July 2020 and 30 June 2021 was £114,851. This income came in the form of individual donations and grants. The total expenditure for this financial period was £117,167. Of that total expenditure, £105,035 was spent on charitable activities in Nepal.

Reserves policy and financial position

The reserves should provide adequate financial stability and allow the charity to meet its charitable objectives for the foreseeable future. The dZi Foundation has limited office costs and therefore has limited overheads. The charity does not commit to funding projects in Nepal unless they have full funding in place. Therefore, the Trustees also have the capacity to increase or reduce charitable expenditure on projects in Nepal depending on the level of income receivable in any given year.

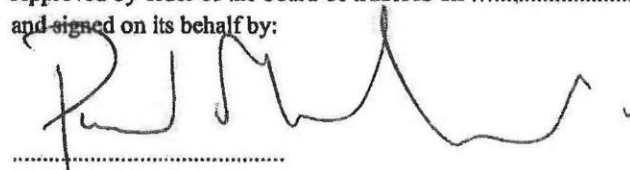
The Trustees agree to maintain the charity's reserves at a level that is at least equivalent to 6 months operational expenditure. The Trustees review the amount of reserves that are required to ensure that they are adequate to fulfil the charity's continuing obligations on an annual basis.

As of 30 June 2021, the Charity had total reserves of £20,763 and, of this balance, £0 was labelled as restricted funds.

DZI FOUNDATION UK

Independent examiner
COLIN GRAY & CO LIMITED
Chartered Accountants
Hardy House
Northbridge Road
Berkhamsted
Hertfordshire
HP4 1EF

Approved by order of the board of trustees on 21-03-22
and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'P. Mulholland', written over a dotted line.

Paul Mulholland
Trustee

DZI FOUNDATION UK

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
DZI FOUNDATION UK**

Independent examiner's report to the trustees of dZi Foundation UK ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 June 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (who are also the directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

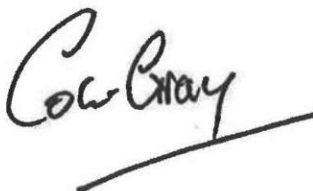
Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records are not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Colin Gray for and on behalf of
COLIN GRAY & CO LIMITED
Chartered Accountants
Hardy House
Northbridge Road
Berkhamsted
Hertfordshire
HP4 1EF



Date: 21-3-2022

DZI FOUNDATION UK

STATEMENT OF FINANCIAL ACTIVITIES
for the Year ended 30 June 2021

				Year ended 30.06.21	Year ended 30.06.20
		Unrestricted funds	Restricted funds	Total funds	Total funds
	Notes	£	£	£	£
INCOME FROM					
Donations and grants	2	20,974	93,877	114,851	62,419
Charitable activities	3				
dZi Fundraising Trek		-	-	-	1,254
		<hr/> 20,974	<hr/> 93,877	<hr/> 114,851	<hr/> 63,673
EXPENDITURE ON					
Raising funds	4	5,416	-	5,416	3,630
Charitable activities					
Expenditure on Charitable activities	5	-	105,035	105,035	62,366
- relief of poverty in Nepal	6				
Support costs	7	6,716		6,716	6,904
		<hr/> 12,132	<hr/> 105,035	<hr/> 117,167	<hr/> 72,900
NET INCOME/(EXPENDITURE)		<hr/> 8,842	<hr/> (11,158)	<hr/> (2,316)	<hr/> (9,227)
Transfer between funds	12	(4,953)	4,953	-	-
Net movement in funds		<hr/> 3,889	<hr/> (6,205)	<hr/> (2,316)	<hr/> (9,227)
RECONCILIATION OF FUNDS					
Total funds brought forward		14,294	6,205	20,499	29,508
TOTAL FUNDS CARRIED FORWARD		<hr/> 18,183	<hr/> -	<hr/> 18,183	<hr/> 20,281

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

DZI FOUNDATION UK

BALANCE SHEET
At 30 June 2021

	Notes	2021 £	2020 £
CURRENT ASSETS			
Debtors	9	181	181
Cash at bank		20,763	23,903
		<u>20,944</u>	<u>24,084</u>
CREDITORS			
Amounts falling due within one year	10	(2,979)	(3,803)
NET CURRENT ASSETS		<u>17,965</u>	<u>20,281</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		17,965	20,281
NET ASSETS		<u>17,965</u>	<u>20,281</u>
FUNDS	12		
Unrestricted funds		17,965	14,076
Restricted funds			6,205
TOTAL FUNDS		<u>17,965</u>	<u>20,281</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2020.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 30 June 2019 in accordance with Section 476 of the Companies Act 2006.

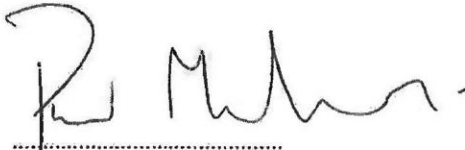
The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

DZI FOUNDATION UK

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

The financial statements were approved by the Board of Trustees on 21/03/22 and were signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Paul Mulholland', written over a dotted line.

Paul Mulholland
Trustee

DZI FOUNDATION UK

CASH FLOW STATEMENT
for the Year ended 30 June 2021

	Year ended 30.06.21 £	Year ended 30.06.20 £
Cash flows from operating activities		
Cash generated from operations	(3,090)	(2,955)
Interest paid	(50)	(564)
Net cash provided by (used in) operating activities	(3,140)	(3,519)
 Change in cash and cash equivalents in the reporting period	 (3,140)	 (3,519)
Cash and cash equivalents at the beginning of the reporting period	23,903	27,422
 Cash and cash equivalents at the end of the reporting period	 20,763	 23,903

The notes form part of these financial statements

DZI FOUNDATION UK

NOTES TO THE CASH FLOW STATEMENT
for the Year ended 30 June 2021

RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW
FROM OPERATING ACTIVITIES

	Year ended 30.06.21 £	Year ended 30.06.20 £
Net income/(expenditure) for the reporting period as per the statement of financial activities)	264	(8,921)
Adjustments for:		
Interest paid	49	564
(Increase)/decrease in debtors	-	4,823
(increase) in creditors	(3,403)	579
Net cash provided by (used in) operating activities	<u>(3,090)</u>	<u>(2,955)</u>

DZI FOUNDATION UK

NOTES TO THE FINANCIAL STATEMENTS for the Year ended 30 June 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, 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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Assessment of going concern

The trustees have assessed whether the use of going concern assumption is appropriate in preparing these accounts. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts.

DZI FOUNDATION UK

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year ended 30 June 2021

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The charity does not commit to funding projects in Nepal until they have full funding in place which means they do not have outstanding financial obligations in Nepal. Therefore, the trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. The most significant areas of judgement that affect the items in the accounts are detailed above. With regard to the next accounting period, the most significant area that affects the carrying value of the assets held by the charity is the level of fundraising income achieved.

2. DONATIONS AND GRANTS

			Year ended 30.06.21	Year ended 30.06.20
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
Grants	1,000	7,205	8,205	3,033
Donations	6,009	86,538	92,547	52,639
Donations via .Giving	28	134	162	1,731
Gift aid	13,937	-	13,937	5,016
	<u>20,974</u>	<u>93,877</u>	<u>114,851</u>	<u>62,419</u>

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NOTES TO THE FINANCIAL STATEMENTS - continued **for the Year ended 30 June 2021**

3. INCOME FROM CHARITABLE ACTIVITIES

		Year ended 30.06.21	Year ended 30.06.20
	Activity	£	£
Fundraising event	dZi Fundraising Trek	-	1,254
		-	1,254

4. RAISING FUNDS

Raising donations and legacies

			Year ended 30.06.21	Year ended 30.06.20
	Unrestricted funds	Restricted funds	Total funds	Total funds
	£	£	£	£
RGS event		-	-	292
JustGiving subscription	216	-	216	216
Fundraising consultancy	5,200	-	5,200	3,122
	5,416	-	5,416	3,630

5. EXPENDITURE ON CHARITABLE ACTIVITIES **- RELIEF OF POVERTY IN NEPAL**

	Year ended 30.06.21	Year ended 30.06.20
	£	£
Monies sent to Nepal	105,035	62,366

DZI FOUNDATION UK

NOTES TO THE FINANCIAL STATEMENTS - continued **for the Year ended 30 June 2021**

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	Year ended 30.06.21	Year ended 30.06.20
	£	£
School reconstruction	94,295	13,036
Water system projects	135	33,597
Bridge construction	7,905	-
Improved cookstoves project	-	2,733
Agricultural programmes	1,800	-
Radio programme	900	-
COVID-19 relief program	-	13,000
	<u>105,035</u>	<u>62,366</u>

7. SUPPORT COSTS

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the trustees and Administrative Director. The total remuneration of the key management personnel for the year was £3,680 (2020: £2,600).

Support costs, included in the above, are as follows:

	Year ended 30.06.21	Year ended 30.06.20
	£	£
Management costs		
Staff costs	3,680	2,600
Administrative costs	22	215
Travel		388
Governance costs		
Interest payable and similar charges	49	564
Insurance	385	490
Accountancy fees	2,580	2,646
	<u>6,716</u>	<u>6,904</u>

DZI FOUNDATION UK

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year ended 30 June 2021

8. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2021 nor for the year ended 30 June 2020.

Trustees' expenses

There were no trustee expenses for year ended 30 June 2021, an amount of £388 were reimbursed to J Chaffer for year ended 30 June 2020.

9. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Prepayments and accrued income	181	181
	<u>181</u>	<u>181</u>

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Accruals and deferred income	2,979	3,803
	<u>2,979</u>	<u>3,803</u>

11. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
Current assets	20,945		20,945	24,084
Current liabilities	(2,979)		(2,979)	(3,803)
	<u>17,966</u>	-	<u>17,966</u>	<u>20,281</u>

DZI FOUNDATION UK

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year ended 30 June 2021

12. MOVEMENT IN FUNDS

	At 01.07.20 £	Movement in funds £	Transfers between funds £	At 30.06.21 £
Unrestricted funds				
General fund	14,076	8,842	(4,953)	17,965
Restricted funds				
Restricted fund	6,205	(11,158)	4,953	-
	<u>20,281</u>	<u>(2,316)</u>	<u>-</u>	<u>17,965</u>

Net movement in funds, included in the above as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	20,974	(12,132)	8,842
Restricted funds			
Restricted fund	93,877	(105,035)	(11,158)
TOTAL FUNDS	<u>114,851</u>	<u>(117,167)</u>	<u>(2,316)</u>

13. LIABILITY OF MEMBERS

The charity is constituted as a company limited by guarantee. In the event of the charity being wound up members are required to contribute an amount not exceeding £10.