

Charity Registration No. 1181129

THE DAVIES FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 1 FEBRUARY 2021

THE DAVIES FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Paris Baker Antonio Debiase Daniel Saulter Emma Wedderburn	(Appointed 13 January 2021)
Principle administrator	Paris Baker	
Charity number	1181129	
Registered office	7th Floor 1 Minster Court Mincing Lane London United Kingdom EC3R 7AA	
Independent examiner	Don Bancroft Azet Audit Services Alpha House 4 Greek Street Stockport Cheshire United Kingdom SK3 8AB	
Bankers	HSBC UK 26 Broad Street Reading Berkshire RG1 2BU	

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THE DAVIES FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 1 FEBRUARY 2021

The trustees present their report and financial statements for the Year ended 1 February 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's deed of trust, the Charities Act 2011 and "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)".

Objectives and activities

Our charitable objectives are as follows:

- advancement of citizenship or community development
- advancement of education
- prevention or relief of poverty
- the advancement of environmental protection or improvement.

Our aims

The Davies Foundation aims to create a positive social impact in the communities globally where Davies Group operate. Through ongoing fundraising and receiving match funding from Davies Group, the charity will provide grant funding to charitable organisations nominated by our employees through our grants scheme.

The trustees are satisfied that the aims and objectives of the charity, and the activities reported on can achieve the aims and principles of public benefit.

Strategies

The primary strategy for achieving the four charitable purposes detailed under the objectives above is charitable donations via a grants funding scheme. Periodically, whenever the trustees see fit, The Davies Foundation opens grant applications, whereby any employees of Davies Group can nominate charitable organisations and not-for-profits to receive funding from our charity. Each application can request up to £750 in non-restricted funding, which can be used for core costs at the elected charity. The grants funding scheme aims to support the services third sector organisations in our communities, which are working to support public benefit and contribute towards our four charitable purpose (advancement of citizenship or community development, advancement of education, prevention or relief of poverty, the advancement of environmental protection or improvement.)

The charity on occasion will make donations over the value of £750 to charities to match the efforts of our colleagues fundraising through challenge events.

The Davies Foundation additionally engages in charity partnerships for strategic fundraising campaigns. This entails fundraising for the pre-determined cause and receiving match funding from Davies Group. Further to fundraising initiatives, the charity partners with non-profit organisations to deliver educational talks and internal awareness campaigns on issues including, mental health, financial well-being, diversity & inclusion, challenging racism and LGBT inclusion.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Grant-making policy

The Davies Foundation grants are submitted by Davies employees and assessed by our Grants Committee, a voluntary board of colleagues across a variety of Davies locations and departments. The Grants Committee assess each application against our charitable principles and allocate funding fairly across the locations which Davies operates. The Grants Committee must allocate funds within a pre-determined maximum allocation as well as provide reasons for these decisions. The final distribution is signed off by The Davies Foundation board of trustees.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 1 FEBRUARY 2021

Use of volunteers

The Davies Foundation works with a network of over 60 voluntary representatives across Davies Group locations to promote events and initiatives, represent our charity globally, organise fundraisers and provide feedback from Davies employees. The CSR Representatives adhere to the Nolan Principles when carrying out duties associated with The Davies Foundation.

Achievements and performance

How our activities deliver public benefit

The Davies Foundation distributes donations through our grants funding scheme to charitable organisations nominated by employees of Davies Group, working in the communities where Davies operates. We support a range of charities, not-for-profits and community causes, which contribute to our charitable purposes, including but not limited to: family welfare charities, foodbanks, homeless shelters, medical charities, mental health organisations, support groups, environmental charities and community groups.

The main activities are as follows:

1. Internal remote and virtual fundraisers, challenge events and in-office events, held and participated in by Davies Group employees.

The grant funding scheme allocating funds to charitable organisations nominated by Davies employees.

2. Match funding fundraising efforts of employees for charitable causes, including matching funds raised through challenge events and personal challenges.

3. Educational and awareness campaigns on social issues, including awareness days, hosting educational talks and charity partnerships.

Financial review

During the year income received totalled £44,271 (2020 14 month period £35,631) and expenditure totalled £52,485 (2020 14 month period £18,317) resulting in unrestricted reserves totalling £9,100 (2020 £17,314).

Reserves policy

The charity will aim to maintain unrestricted reserves of £5,000.

Principal funding sources

The primary funding source is internal fundraising via events held by Davies employees. All funds raised are matched by Davies Group, with both the funds raised and matched funding contributing to The Davies Foundation grants funding scheme.

Risk management

Trustees complete e-learning on GDPR, Anti-money laundering, Bribery and Information Security to provide the skills for effective risk management in these areas.

THE DAVIES FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 1 FEBRUARY 2021

Plans for future periods

In 2021 and beyond, we look to grow our impact, focusing our strategy on three core themes; (1) Supporting our communities, (2) Going green – doing our bit for the planet and (3) Amplifying voices and talking about the issues which matter. This will entail continuing our internal fundraising through employee events for our grants scheme to support charity causes. In February 2021, we have £25,000 available to allocate to charities nominated by our people, and we have a target of raising £100,000 this year for the scheme. Through a combination of employee and business-led initiatives we will be promoting sustainable, environmental lifestyles.

This year we look forward to continuing a range of charity partnerships to deliver educational talks and campaigns on issues which matter including LGBT inclusion, financial wellbeing, disability inclusion and more. We aim to run campaigns and features around awareness days including: Black History Month, International Women's Day, Mental Health Awareness Week, Pride Month, Disability Awareness Day, Plastic Free July, Transgender Remembrance Day.

Structure, governance and management

The Davies Foundation is governed by a deed of trust. The charity is registered with both the Charity Commission (No. 1181129) and Companies House (No CE015885) as a Charitable Incorporated Organisation.

The trustees who served during the Year and up to the date of signature of the financial statements were:

Paris Baker

Antonio Debiase

Daniel Saulter

Emma Wedderburn

(Appointed 13 January 2021)

Anne Thorne

(Retired 30 April 2020)

Recruitment and appointment of trustees

Apart from the first trustees, every charity trustee must be appointed for a term of three years. In selecting individuals for appointment as trustees, the charity trustees must have regard for the skills, knowledge and experience needed for the effective administration of the CIO.

Organisational structure

The charity trustees are responsible for the general control and management of the charity. The trustees give their time freely and receive no remuneration or other financial benefits.

Induction and training of trustees

All trustees as Davies employees are obliged to complete training on: GDPR, Anti-money laundering, Treating Customers Fairly, Health & Safety, Modern Slavery, Bribery, Whistleblowing, Sexual harassment prevention in the work place, Information Security and UK Financial Sanctions. This is an annual requirement to maintain knowledge in these areas.

The trustees' report was approved by the Board of Trustees.



Emma Wedderburn

Trustee

Dated: 29/09/21

THE DAVIES FOUNDATION

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE DAVIES FOUNDATION

I report to the trustees on my examination of the financial statements of The Davies Foundation (the charity) for the Year ended 1 February 2021.

Responsibilities and basis of report

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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

Azets Audit Services

Don Bancroft FCA
Azets Audit Services

Alpha House
4 Greek Street
Stockport
Cheshire
SK3 8AB
United Kingdom

Dated: *29 September 2021*

THE DAVIES FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 1 FEBRUARY 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income from:</u>			
<u>Voluntary income</u>			
The Davies Group donations	3	25,045	18,440
Income from fundraising activities	4	19,226	17,191
Total income		<u>44,271</u>	<u>35,631</u>
<u>Expenditure on:</u>			
<u>Raising funds</u>			
Cost of fundraising activities	5	2,998	7,256
Charitable activities	6	49,487	11,061
Total resources expended		<u>52,485</u>	<u>18,317</u>
Net (expenditure)/income for the year/ Net movement in funds		(8,214)	17,314
Fund balances at 2 February 2020		17,314	-
Fund balances at 1 February 2021		<u>9,100</u>	<u>17,314</u>

The statement of financial activities includes all gains and losses recognised in the Year.

The comparative 2020 figures and subsequent notes represent a 14 month reporting period.

All income and expenditure derive from continuing activities.

THE DAVIES FOUNDATION

BALANCE SHEET

AS AT 1 FEBRUARY 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	10	8,190		-	
Cash at bank and in hand		22,765		22,679	
		<u>30,955</u>		<u>22,679</u>	
Creditors: amounts falling due within one year	11	(21,855)		(5,365)	
Net current assets			9,100		17,314
Income funds					
Unrestricted funds			9,100		17,314
			<u>9,100</u>		<u>17,314</u>

The financial statements were approved by the Trustees on 29/09/21



Antonio Debiase
Trustee



Emma Wedderburn
Trustee

THE DAVIES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 1 FEBRUARY 2021

1 Accounting policies

Charity information

The Davies Foundation CIO is a Charitable Incorporated Organisation which was registered with the Charity Commission on 11 December 2018 and commenced operations on 16 April 2019.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011 and "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 charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

In early March 2020, the Covid-19 virus was declared a global pandemic. Business continuity, including supply chains and consumer demand across a number of industries and countries could be severely impacted for months or more, as governments and their citizens take significant and unprecedented measures to mitigate the consequences of the pandemic.

The trustees monitor the ever changing situation and continue to evaluate the charity's ability to continue to operate on an ongoing and foreseeable basis.

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. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

There were no restricted or endowment funds.

THE DAVIES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 FEBRUARY 2021

1 Accounting policies

(Continued)

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Resources expended are included in the statement of financial activities on an accruals basis, inclusive of VAT where it is not recoverable.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees of the charity.

All costs are allocated between the expenditure categories in the Statement of Financial Activities (SOFA) on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly whilst others are apportioned on an appropriate basis.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

THE DAVIES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 FEBRUARY 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
The Davies Group donations	25,045	18,440

4 Fundraising activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Fundraising events	19,226	17,191

THE DAVIES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 1 FEBRUARY 2021

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
<u>Fundraising and publicity</u>		
Other fundraising costs	2,998	7,256
	<u>2,998</u>	<u>7,256</u>

6 Charitable activities

	2021 £	2020 £
Grants issued	45,645	10,000
Online giving charges	362	311
	<u>46,007</u>	<u>10,311</u>
Share of support costs (see note 7)	1,470	-
Independent examination fees	2,010	750
	<u>49,487</u>	<u>11,061</u>

7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Insurance	1,470	-	1,470	-	-	-
Independent examination fees	-	750	750	-	750	750
Trustees insurance	-	1,260	1,260	-	-	-
	<u>1,470</u>	<u>2,010</u>	<u>3,480</u>	<u>-</u>	<u>750</u>	<u>750</u>
Analysed between Charitable activities	1,470	2,010	3,480	-	750	750

Governance costs includes payments to the accountants of 2021 £750 (2020 £750) for independent examination fees.

THE DAVIES FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 1 FEBRUARY 2021

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the Year.

9 Employees

The average monthly number of employees during the Year was:

	2021 Number	2020 Number
Total	-	-

There were no employees during the year or prior period.

10 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Prepayments and accrued income	8,190	-

11 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	20,355	4,615
Accruals and deferred income	1,500	750
	21,855	5,365

Included in creditors is a balance of £9,435 (2020 £4,616) due to The Davies Group.