

The DHL UK Foundation

Annual Report and Financial Statements

31 March 2024

Company Limited by Guarantee
Registration Number
02223373 (England and Wales)

Charity Registration Number
327880

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Legal and administrative information

Trustees (as at date of signing)	P K Butchart H Copinger-Symes N Mahendru S Resnick S Robinson (Chair) C Selig B Storch I Wilson M Young S Laird
Registered office	Eastworth House Eastworth Road Chertsey KT16 8SH
Company registration number	2223373 (England and Wales)
Charity registration number	327880
Auditor	Haysmacintyre LLP 10 Queen Street Palace London EC4R 1AG
Bankers	National Westminster Bank plc 81 High Street Bedford MK40 1YN Santander UK plc Business Banking Centre Santander House 301 St Vincent Street Glasgow G2 5NT

Legal and administrative information

Investment managers

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1 Greenside Row
Edinburgh
EH1 3AN

Threadneedle Investment Services Limited
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78 Cannon Street
London
EC4N 6AG

BNY Mellon Fund Managers Limited
(Newton Fund)
BNY Mellon Centre
160 Queen Victoria Street
London
EC4V 4LA

Alliance Bernstein Investor Services
50 Berkeley Street
London
W1J 8HA

Aviva Investors Global Services Limited
(AIGSL)
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1 Undershaft
London
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Fulcrum
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Solicitor

Stone King
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91 Charterhouse Street
London
EC1M 6HR

Trustees report 31 March 2024

The trustees (who are also the directors for the purposes of company law) present their annual report together with the financial statements of The DHL UK Foundation for the year ended 31 March 2024.

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 Charity comply with the current statutory requirements, the requirements of the Charity'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).

Principal aims and objects

The principal objects of the Foundation as laid out in the Memorandum and Articles of Association are:

- the advancement of education, training and employment support to young people aged between 5 and 25 years, in particular, but without limitation, those who the trustees, in their discretion, determine to be disadvantaged;
- the relief of need by reason of financial hardship, for current and former employees of the DHL Group (or predecessors of any of the DHL Group entities or their business activities) and their families, at the discretion of the trustees; and
- the advancement of general purposes which are exclusively charitable under the law of England and Wales.

The Vision and Mission of the Foundation approved by the Board in November 2020 are as follows:

DHL UK Foundation Vision:

An end to youth unemployment

DHL UK Foundation Mission:

For the Foundation, and DHL employees across the UK, to work together to help our charity and school partners ensure that disadvantaged young people aged 5 to 25 years have access to the best possible education, develop essential life skills and the opportunity to secure meaningful and sustainable employment.

The trustees have agreed that the Foundation's support should be focussed on three key areas:

Education

Partnering with charities and schools that help underserved students to get the most out of their education during important stages of their time in primary and secondary school, college and university – helping them to become ready for employment and to develop life and citizenship skills.

Employability

Partnering with charities that help young people from disadvantaged backgrounds to develop their job readiness and learn about the world of work, as well as providing these young people with an exposure to the logistics industry and DHL.

Engagement

Encouraging employees across DHL to use their passion and skills to help support their local communities and young people in need.

The Foundation's support of the above themes is achieved by:

- ◆ Providing funding and leveraging DHL employee support for highly impactful projects with national charity partners working with children and young people;
- ◆ Providing structured programmes and encouragement for DHL employees to volunteer, fundraise and use their skills in community activity; and
- ◆ Maximising the impact of our funds through the structure with a small central team with external 'in kind' support and regular evaluation of all projects supported.

Structure, Governance and Management

The DHL UK Foundation is a charitable company limited by guarantee with no share capital (registration 02223373), governed by its Memorandum and Articles of Association. The Foundation was registered with the Charity Commission on 22 July 1988 (registration 327880). The Articles were amended on each of 28 July 2006, 8 December 2006, 19 January 2012, and 26th April 2022.

Appointment, induction and training of trustees

As set out in the Articles of Association in effect from 28 July 2006, the directors of the Foundation are the trustees and trustees are appointed by the Board. The trustees are normally appointed to serve for a period of two or three years and are eligible for re-appointment for a further two consecutive terms up to a maximum term of 9 years.

The trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. For new trustees there is an induction process which includes a brief on the trustee obligations under charity and company law, the content of the Memorandum and Articles of Association, the governance structure of the Foundation, the programmes run by the Foundation and the recent financial performance of the charity.

The following trustees served throughout the financial year to 31 March 2024, except where shown:

Trustees	Appointed/Resigned
Patricia Katherine Butchart	
Neil Calvert	Resigned 24.10.23
Helen Copinger-Symes	
Peter Fuller	Resigned 08.02.24
Neha Mahendru	
John Nestor	Resigned 24.04.23
Saul Resnick	
Susie Robinson (New Chair)	Appointed 25.04.23
Christoph Selig	
Barbara Storch	
Perry Watts (Outgoing Chair)	Resigned 24.04.23
Ian Wilson	
Michael Young	
Scott Laird	Appointed 08.05.24

Statement of trustees' responsibilities

The trustees (who are also directors of the DHL UK Foundation 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 year that give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period.

In preparing these financial statements, the trustees are required to:

- ◆ Select suitable accounting policies and then apply them consistently;
- ◆ Observe the methods and principles in 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);
- ◆ Make judgements and estimates that are reasonable and prudent;
- ◆ State whether applicable United Kingdom 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the trustees confirms that:

- ◆ So far as the trustee is aware, there is no relevant audit information of which the charity's auditor is unaware; and
- ◆ Each trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the Charity Commission's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Organisational Structure

The DHL UK Foundation has a board of trustees who meet quarterly. Their key responsibilities are:

- i. To set the strategic aims of the Foundation;
- ii. To ensure sound financial management (including investment management);
- iii. To ensure compliance with charity and company law; and
- iv. To ensure the bodies to which responsibility has been delegated are performing their duties in a proper manner.

Sonia Chhatwal was the DHL UK Foundation Chief Executive until 25 August 2023. The new Chief Executive, Caroline Courtois, was appointed on 31 January 2024.

Operation Committee

The Chairmanship of the Operations Committee is Duncan Butler (DHL business representative).

The Operations Committee consisted of the following DHL UK Foundation representatives:

Sonia Chhatwal (DHL UK Foundation Chief Executive) until August 2023

Caroline Courtois (DHL UK Foundation Chief Executive) from January 2024

Harry Wade

Nicky Donovan

Emma Stratford

Jen Simkin

Karen Tatham until February 2024

Erica Young

Jessica McKenna until March 2024

Tara Dattani from March 2024

Aishwarya Swaminathan

The Operations Committee normally meets a minimum of seven times each year and is responsible for:

- ◆ Approving requests in respect of the Helping Hands programme;
- ◆ Reviewing financial statements and agreeing any necessary actions; and
- ◆ Identifying and resolving any operational issues.

Investment Committee

The Chairmanship of the Investment Committee is undertaken by Helen Copinger-Symes (trustee).

The Investment Committee consisted of

Sonia Chhatwal (DHL UK Foundation Chief Executive) until August 2023

Caroline Courtois from January 2024

Susie Robinson (Chair)

Neil Calvert (trustee) until his resignation in October 2023

Peter Fuller (trustee) until his resignation in February 2024

Graham Jung (independent advisor)

Duncan Butler (DHL business representative)

Mark Hammond (independent advisor) appointed September 2023

Harry Wade (DHL UK Foundation representative)

Trustees report 31 March 2024

The Investment Committee normally meets a minimum of four times a year. The role of the Investment Committee is to:

- ◆ Advise the trustees in taking decisions in all investment related areas;
- ◆ Monitor progress towards the achievement of the trustees' investment goals;
- ◆ Manage the trustees' investment managers and any other provider of investment services;
- ◆ Monitor the investment managers and, if necessary, advise the trustees of a need for change.

Remuneration Committee

The Remuneration Committee was established in February 2021. The Chairmanship of the Remuneration Committee was Neil Calvert until he resigned in October 2023. Kate Butchart chairs the Committee since October 2023.

The Remuneration Committee consists of:

Perry Watts, until he resigned in April 2023

Susie Robinson from April 2023

Peter Fuller (trustee) until he resigned in February 2024

Kate Butchart (chair) from October 2023

The Foundation staff remuneration are benchmarked against similar roles in other charities and where possible also against similar posts in the DHL business. In response to market inflation the Remuneration Committee decided in December 2023 to approve a 4% merit increase applied to Foundation staff employed by October 2023 (in line with DHL business), effective from April 2024.

Safeguarding Committee

The Safeguarding Committee is chaired by Neha Mahendru (trustee) and was composed of Neil Calvert (trustee) until he resigned in October 2023, and Christoph Selig (trustee), together with the Foundation team Chief Executive, and Foundation Programme Managers.

The Safeguarding Committee meets at least twice a year when it reviews the safeguarding policy, code and practices and their implementation and discuss any incident recorded on the Foundation safeguarding incident log.

Trustees

The trustees constitute directors of the Foundation for the purpose of the Companies Act 2006.

Constant regard is given to the skills mix of the trustees to ensure that the Board of trustees has all the necessary skills required to contribute fully to the Foundation's development.

No trustee received any remuneration from the charity during the year (2023 - none). Out of pocket travelling expenses totalling £1,428 (2023 - £1,362) were reimbursed to 2 (2023 - 3) trustees during the year.

Key management personnel

The key management personnel in charge of directing, running and operating the DHL UK Foundation on a day-to-day basis comprise:

The Chief Executive (who left in August 2023) and her replacement (from January 2024)

One Senior Programme Manager

Two Programme Managers (including one part-time)

One Foundation Manager

One Foundation/Finance Manager (part-time, responsible for finance and administration)

Two Programme Coordinators

One Foundation Coordinator

Related Parties

The Foundation is independent of any other body. However, it was originally endowed by the National Freight Consortium (NFC) plc and in May 2000, NFC plc merged with Exel plc and on 12 December 2005, Deutsche Post DHL (previously called Deutsche Post World Net) acquired Exel plc, which was renamed DHL.

The DHL UK Foundation and the DHL business signed a Framework Agreement in June 2022. This formalises arrangements that have been in place since the original endowment by NFC plc for agreed annual donation and the services provided to the Foundation by DHL, including salary costs, office space and infrastructure costs. Service costs of £625,643 (2023 - £622,551) were paid to DHL to cover certain running costs of the Foundation.

In the period covered by this report a donation of £398,129 (2023 - £393,929) was received from various DHL organisations.

In addition, DHL also donates staff time to the Foundation which is recognised as a gift in kind. The estimated value of donated services in this period was £133,717 (2023 - £160,511).

The DHL UK Foundation runs specific programmes that are linked to DHL employees, with a focus on the UK, and these are highlighted in the trustees' report.

Foundation Strategy 2021 – 2024

The Foundation's 2021-2024 Strategy was approved by the Foundation Board in November 2020. There were no major changes to the previous Strategic Plan and the Foundation continued to focus on the themes of Education and Employability, to ensure that underserved children and young people in the UK get the most out of their time in school and college and are well prepared for the world of work. It was also expected that in the period 2021-2024, the Foundation would significantly increase engagement with DHL employees, including recruiting the assistance of more employees to deliver expertly developed career support activities to the Foundation's beneficiaries.

Strategy delivery:

Grant Making:

- ♦ Making grants to specially selected charity partners that are focussed on the education and employability of underserved young people, and where possible, work where DHL operates in the UK.
- ♦ 56% of the Foundation's annual budget was allocated to delivering the grant making strategy (grants and partnership management costs).

DHL Employee Engagement:

- ◆ Partnering with DHL and engaging DHL employees in the Foundation's national programmes.
- ◆ 14% of the Foundation's annual budget was allocated to supporting DHL employee fundraising through the Match It programme and DHL employee benevolence through the Helping Hands programme.

GoTeach

- ◆ The DPDHL GoTeach programme encourages employees around the world to inspire disadvantaged young people about their future careers and help them prepare to enter the workplace. In the UK, the Foundation partners with GoTeach by providing meaningful opportunities for DHL staff to use their skills and experience to add value to the work of our school and charity partners.
- ◆ 6% of the Foundation's annual budget was allocated to the management of GoTeach activities (exclusive of partnerships management).

Activities and achievements

Grant Making

The Foundation provides grants to organisations that work with underserved young people to achieve their full potential despite experiencing social and economic challenges.

Teach First

The DHL UK Foundation continued its partnership with Teach First in 2023/24. The Foundation's unrestricted donation of £250,000 enabled Teach First to recruit, train and place brilliant teachers in schools, develop great leaders for schools and support schools to thrive. Without voluntary income, Teach First could not deliver their bespoke Training Programme for new trainee teachers or deliver high quality leadership programmes for senior leaders in schools.

During 2023/24, a new cohort of DHL employees took part in Teach First's Coaching Programme. The Foundation maintained relationships with 29 partner schools across the country, with DHL employees delivering GoTeach activities and arranging site visits. Teach First also helped update two GoTeach sessions based on feedback from schools and employees.

Outward Bound Trust

The Outward Bound Trust (OBT) programme provides bursary support for young people from disadvantaged backgrounds to take part in outdoor learning and personal development activities. The DHL UK Foundation funded programme includes an employability skills theme to empower students to become well-rounded individuals ready to enter the workplace. The Trust also trains DHL employees as mentors to support the students funded by the Foundation that are taking part in the programme. The Trustees of the Foundation agreed to support the programme with a total funding of £133,293 to run Outward Bound residential courses in March and May 2024.

7 schools across England and Scotland are now partnering with the Foundation to benefit from the OBT programme. In the year 2023/24, over 300 year 10 students engaged in this programme, 168 of them attending a 5-day residential supported by 14 DHL trained employees.

Street League

The DHL UK Foundation continued its significant partnership with Street League in 2023/24. The £292,807 unrestricted donation provided in 2023/24 supported Street League academies in key locations across the UK to support young people achieve meaningful sustained employment. DHL employees have engaged with young people at Street League academies to provide further insight into the world of work.

This employability programme was delivered at 5 locations during 2023/24, providing Street League beneficiaries with GoTeach sessions, site visits and opportunity to progress into employment with DHL.

ThinkForward

ThinkForward aims to empower young people in the UK through long-term coaching. They equip young people with the skills and experience they need to move into work or further education after they finish school. With the 2023/24 unrestricted donation of £120,000 received from the Foundation, they could provide specially trained coaches in secondary schools working directly with target groups of students over a 5-year period. It also helped them run a targeted programme called Making Strides (formally 'MoveForward') which supports young people between 16-25 with Special Educational Needs and Disabilities.

Over this academic year, DHL employees supported the Business Mentoring programme across two schools in Kent and Nottingham. Planning is underway to scale up the Making Strides programme by providing more work placement opportunities for young people at DHL sites. ThinkForward schools are also benefiting from GoTeach classroom sessions with the support of GoTeach Champions.

City Year

The DHL UK Foundation continued its partnership with City Year in 2023/24. The Foundation's £135,000 donation was split into a £125,000 unrestricted donation to help City Year to recruit and support c.111 Volunteer Mentors working in schools across London, the West Midlands and Greater Manchester, and a £10,000 restricted donation for some City Year Volunteer Mentors to complete CMI qualifications. The City Year Volunteer Mentors support students to improve their attendance, behaviour and curriculum attainment in school.

In 2023/24, another cohort of DHL mentors supported the Bridge Builder Programme, supporting City Year's Volunteer Mentors during their time on the programme. DHL employees supported numerous City Year events from panel discussions to mock interviews. A select group of City Year partner schools also benefited from GoTeach classroom activities delivered by groups of DHL employees.

The Difference

The Difference exists to change the story on school exclusion and to improve the life-outcomes of the most vulnerable children by raising the status and expertise of those who educate them. The DHL UK Foundation continued its support of The Difference with an unrestricted donation of £100,000 which supported The Difference to deliver its core Vision and Mission.

The Difference recruits and trains specialist senior school leaders, with the expertise to lead whole-school and multi-agency approaches to meet the learning, wellbeing and safeguarding needs of all children, and most crucially those with high levels of need and vulnerability. Through its programmes, research and partnerships, The Difference learns what works to improve outcomes for vulnerable children and shares this best practice across its network and the sector.

Place2Be

Place2Be is a children's mental health charity that has been operating for 25 years providing specialist mental health support to children in primary and secondary schools across the UK. The DHL UK Foundation began its partnership with Place2Be in 2021/22 with a commitment to provide an unrestricted donation of £100,000

per annum for 3 years. The funding helps the charity provide group and 1-2-1 sessions in schools for students and teachers and to support teachers in their partner schools.

In addition, the partnership enabled a series of GoTeach activities. For example, GoTeach sessions on primary skills, social enterprise and career talks and a mock interview session were delivered in 4 primary schools supported by Place2be. The charity partners also delivered 6 webinars to DHL employees on supporting young people's mental health.

Bookmark

Bookmark is a national reading charity that provides reading support to primary school children. Low literacy levels can have a devastating impact on a child's future and Bookmark want to stop this trend by ensuring every child can read. The DHL UK Foundation welcomed Bookmark as a partner in April 2023, committing to a 3-year partnership. The Foundation's unrestricted annual donation of £100,000 enabled Bookmark to identify and onboard 11 new schools to receive Bookmark's one to one reading programme.

In the first year of partnership, two pilot programmes were run for DHL employees to be reading volunteers. In January 2024, there was a wider launch to the business to onboard more DHL employees onto the programme, taking learnings from the pilots.

Engagement programmes

Trucks and Child Safety (TACS)

The TACS programme promotes the importance of road safety around large vehicles to primary school aged children in the UK. Specially trained DHL employees provide interactive awareness sessions to schools and local community organisations. The Foundation funds the cost of TACS resources and materials and the recruitment and training of DHL employees to become TACS demonstrators. Total funding for the programme in 2023/24 was £12,802, which supported the delivery of 61 activities reaching out to an estimated 13,600 children.

Match It!

Match It! acknowledges current and retired DHL employees fundraising and volunteering efforts by matching up to a certain limit, the funds they raise for their chosen registered charities.

In 2023/24, 348 MatchIt! applicants received funding for their chosen charity or community organisation as a result of taking part in fundraising (315 applications) and volunteering (33 applications). MII expenditure was £107,580 for the year ending 31 March 2024, (a slight increase from 2022/23 £106,485).

Helping Hands

Helping Hands is a benevolent fund that provides grants to support current and retired DHL UK employees who are in financial hardship.

Types of support include contributing towards the cost of funerals, providing supermarket vouchers, help with household bills and donating essential white goods as well as signposting applicants to other support organisations.

The Foundation has seen the number of applications increase continuously in the past 5 years and certainly in response to the cost-of-living crisis.

During 2023/24, 218 Helping Hands applications were received, 123 applicants were awarded grants and the total Helping Hands spend was £95,813.

Financial report

Income for the year was £544,094 (2023 as restated - £568,802). The Foundation's two main sources of funding are donations of £531,846 (2023 - £554,440) and investment income of £12,248 (2023 as restated - £14,310) which is solely comprised of bank interest. The restated income is described in note 18 to these financial statements.

Total charitable expenditure on activities in furtherance of the Foundation's objectives was £2,390,139 (2023 - £2,496,455) of which £2,139,009 (2023 - £2,227,287) related to charitable grants and donations and £12,802 of charitable expenditure incurred on the Trucks and Child Safety programme (2023 - £4,459). The costs of governance of the charity amounted to £82,355 (2023 - £87,062).

This resulted in net expenditure of £1,846,045 (2023 as restated - £1,927,653) before investment gains and losses. The Foundation generated realised and unrealised investment gains of £4,264,265 (2023 as restated – realised and unrealised investment losses of £1,711,445) on its investment portfolio, which contributed to a total increase in funds of £2,418,220 (2023 – total decrease in funds of £3,639,098).

Reserves policy

As detailed above, the charity carries out a diverse range of activities, the trustees have examined the requirement for free reserves i.e., those unrestricted funds not invested in fixed assets, designated for specific purposes or otherwise committed.

The unrestricted fund represents the cumulative surplus arising from unrestricted income exceeding unrestricted expenditure over the past few years. The Foundation's cash reserves policy is to hold the equivalent of a minimum of 9 months of operating spend. The Foundation currently holds enough liquidity to fund outgoings for the next 10 months operating spend which includes the Aviva fund. We can liquidate funds from the Aviva "cash plus" product with immediate effect (notice is 2 days) which will serve to fund the Foundation through the 2024/25 financial year before liquidating investments.

The Foundation prepares budgets with an anticipated annual grant expenditure of approximately £2.0m with a deficit of £2.0m forecast for 2024/25 after donations and investment income.

The endowment funds represent the Foundation's investment portfolio. In recent years, the Foundation adopted a policy of profit taking on the investment portfolio in accordance with its investment policy. The DHL UK Foundation has chosen to adopt a total return approach to investment rather than one that is income focussed. The Foundation maintains a prudent level of liquid reserves to avoid situations where it would need to sell investments as a forced seller in a depressed market.

The reserves policy is reviewed annually to reassess the risks and reflect changes to the Foundation's income, capital, financial obligations and long-term plans for charitable expenditure.

Financial position

The balance sheet shows total funds of £34,584,593 (2023 - £32,166,373).

These funds include the expendable endowment fund of £34,373,465 (2023 - £31,609,200). The endowment, whilst expendable, is represented by investments, which provide financial support to the charitable activities of the Foundation.

General funds of the charity at 31 March 2024 total £211,128 (2023 - £557,173) and equate to free reserves and the trustees consider that the level of free reserves falls within the reserves policy stated above.

Risk management

The trustees have established a risk management process comprising:

- ◆ An annual review of the risks the charity may face summarised in a 'Risk Register';
- ◆ A safeguarding policy relating to DHL employee engagement with the beneficiaries of the Foundation's school and charity partners;
- ◆ The establishment of systems and procedures to mitigate those risks identified; and
- ◆ The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

The principal risks faced by the DHL UK Foundation have been identified as follows:

- ◆ Safeguarding;
- ◆ Financial sustainability; and
- ◆ Investment management.

Risk Register

The Risk Register, referred to above, details potential risks that the Foundation may face in its day-to-day operations and mitigating measures in place. The register is maintained and updated by the Foundation team with the support of the Operations Committee. The Register is reviewed by the Board of trustees on an annual basis.

Safeguarding

- ◆ The Foundation has introduced a safeguarding policy and Code of Conduct that relate to the behaviours expected of all DHL employees involved in working with the beneficiaries of the Foundation's school and charity partners, and how any breach of these safeguarding principles will be dealt with. This safeguarding policy was developed after consultation with an independent safeguarding consultant and a number of charity experts, and is reviewed on an annual basis. Every DHL employee engaged in supporting Foundation programmes must sign the safeguarding Code of Conduct before taking part in any activity and on an annual basis.
- ◆ In addition, in November 2021, the Foundation launched a mandatory online safeguarding course, which was also developed in consultation with the safeguarding consultant with input from the Foundation's charity partners. It is planned for this training will be refreshed in 2024/25. All trustees, Foundation team staff and DHL employees involved in GoTeach activities must complete the mandatory safeguarding course on an annual basis.
- ◆ All Foundation team members and trustees complete an enhanced DBS (Disclosure and Barring Service) check on a bi-annual basis, as do all DHL employees involved in long term activities with the same pupils, such as mentoring, or in delivering the Trucks and Child Safety programme.

Financial sustainability

The key elements in managing the financial sustainability of the DHL UK Foundation are a regular review of available funds with which to meet current and future grant commitments, regular liaison with investment managers and monthly reporting of performance against budget for income and expenditure to the Foundation's Operations Committee, which is led by Duncan Butler, DHL Senior Business Advisor. In addition, financial risk is mitigated by processes which ensure that all major financial instructions are approved by the Board of trustees.

Investment management

The key elements in effective investment management are a trustee body with a skill set appropriate to evaluating investment performance, the engagement of professional investment managers with a significant and successful track record, frequent reviews of investment performance, and regular meetings with investment managers. All these activities are managed for the DHL UK Foundation by the Investment Committee, which includes two trustees, a senior advisor from the DHL business, two independent investment advisers, the Foundation Chief Executive and the Foundation Senior Programme Manager. The Investment Committee meets quarterly and is accountable to the Board of trustees.

Investment policy

In addition to the cash balances referred to under "Financial Position", the charity has a portfolio of investments with a market value as at 31 March 2024, of £34,373,465 (2023 - £31,609,200). Of this value £1.1m (2023 - £1.5m) is held as short-term investments.

There are no restrictions on the charity's power to invest. The investment strategy is set by the trustees and considers income requirements, the risk profile and the investment manager's view of the market prospects in the medium term. The overall investment policy is to maximise total return through a diversified portfolio, aiming to provide the level of income advised by the trustees and, at the same time, with a view to ensuring that capital appreciation of the fund exceeds inflation over any five-year period.

The Foundation aims to hold enough liquidity to fund outgoings for a minimum of the next 9 months of operating spend which is including the Aviva fund. We can liquidate funds from the Aviva "cash plus" product with immediate effect (notice is 2 days). It is reviewed on a quarterly basis.

The trustees aim to meet with the investment managers annually or do so on a regular basis, to review the performance of the portfolio and the investment strategy. The trustees are satisfied that their investment policy is being achieved.

Looking forward

In March 2024, the trustees and the Foundation team launched the review of the current strategy 2021-2024 with a view to launch the Strategy 2025-30 in the first quarter of 2025. The strategy will comply with the Objects of the Foundation Articles of Association and will continue addressing youth unemployment. The Foundation management team conducted a series of consultations with the trustees, existing charity partners, external charities and youth groups, and reviewed key research and policy documents publicly available to inform the strategic review.

As part of this exercise, the trustees also developed financial projections to understand the impact that a more volatile market could have on the investments. Findings will feed into the strategic review and the level of support awarded to charity partners and existing engagement programmes.


Trustees report 31 March 2024

By end of financial year, the Foundation hold 10 months of liquidity only. The trustees took the view to not draw down from the investments in the current market and instead will review the timing and magnitude of a further drawdown from investments during 2024/25.

Volunteers

The trustees are very grateful to the many volunteers who have given their time to the charity over the past year and who have provided invaluable assistance.

Approved by the trustees and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Susan Robinson', written in a cursive style.

Susan Robinson, Chairman of the Trustee Board

Date: 19.08.2024

Independent auditor's report to the members of The DHL UK Foundation

Opinion

We have audited the financial statements of The DHL UK Foundation for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, 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 March 2024 and of the charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report (which includes the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the directors' report).

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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:

Based on our understanding of the charitable company and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities Act 2011 and consider other factors such as payroll taxes.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and we determined that the principal risks were related to the completeness and cut-off of voluntary income. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud and perform an assessment of identified fraud risk factors;
- Evaluating management's controls designed to prevent and detect irregularities;
- Challenging assumptions and judgements made by management in their critical accounting estimates, in particular the recognition of grant commitments and the valuation of gifts in kind.
- Performing analytical procedures to identify any significant and unusual transactions, and any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud;
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business;
- Reading minutes of meetings of those charged with governance;
- identifying and testing journal entries, in particular any manual entries made at the year-end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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.

Independent auditor's report 31 March 2024

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Richard Weaver (Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP, Statutory Auditor
Date: 19 August 2024

10 Queen Street Place
London
EC4R 1AG

Statement of financial activities Year to 31 March 2024
(Including income and expenditure account)

	Notes	Unrestricted funds £	Expendable Endowment funds £	2024 Total funds £	Unrestricted funds £	As restated Expendable Endowment funds £	As restated 2023 Total funds £
Income from:							
Donations	1	531,846	-	531,846	554,440	-	554,440
Investments	2	12,248	-	12,248	14,310	-	14,310
Other income		-	-	-	52	-	52
Total income		544,094	-	544,094	568,802	-	568,802
Expenditure on:							
Charitable expenditure	3	2,390,139	-	2,390,139	2,496,455	-	2,496,455
Total expenditure		2,390,139	-	2,390,139	2,496,455	-	2,496,455
Net expenditure before investment gains		(1,846,045)	-	(1,846,045)	(1,927,653)	-	(1,927,653)
Net gains and losses on investments		1,500,000	2,764,265	4,264,265	-	(1,711,445)	(1,711,445)
Net income/(expenditure)		(346,045)	2,764,265	2,418,220	(1,927,653)	(1,711,445)	(3,639,098)
Transfers between funds		-	-	-	-	-	-
Net movement in funds		(346,045)	2,764,265	2,418,220	(1,927,653)	(1,711,445)	(3,639,098)
Fund balances brought forward at 1 April 2023		557,173	31,609,200	32,166,373	2,484,826	33,320,645	35,805,471
Fund balances carried forward at 31 March 2024		211,128	34,373,465	34,584,593	557,173	31,609,200	32,166,373

All income and expenditure derives from continuing activities.

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

The notes on pages 23 to 33 form part of these financial statements.

Balance sheet 31 March 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Investments	11		33,260,012		30,075,778
Current assets					
Debtors	12	47,902		93,359	
Short term investments	11	1,113,453		1,533,422	
Cash at bank and in hand		342,671		601,700	
		<u>1,504,026</u>		<u>2,228,481</u>	
Liabilities					
Creditors: amounts falling due within one year	13	(179,445)		(137,886)	
Net current assets			1,324,581		2,090,595
Total net assets			<u>34,584,593</u>		<u>32,166,373</u>
The funds of the charity					
Capital funds:					
Endowment funds	14		34,373,465		31,609,200
Income funds:					
Unrestricted funds			211,128		557,173
			<u>34,584,593</u>		<u>32,166,373</u>

Signed on behalf of the trustees by Susan Robinson



Trustee

Date: 19.08.2024

The DHL UK Foundation, Company Limited by Guarantee
Registration Number 02223373

The notes on pages 23 to 33 form part of these financial statements.

Statement of cash flows 31 March 2024

	Notes	2024 £	As restated 2023 £
Cash flows from operating activities:			
Net cash used in operating activities	A	(1,771,277)	(1,953,548)
Cash flows from investing activities:			
Investment income		12,248	14,310
Proceeds from the disposal of investments		3,000,000	2,000,000
Purchase of investments		(1,500,000)	(2,000,000)
Net cash provided by investing activities		1,512,248	14,310
Change in cash and cash equivalents in the year		(259,029)	(1,939,238)
Cash and cash equivalents at 1 April 2023	B	601,700	2,540,938
Cash and cash equivalents at 31 March 2024	B	342,671	601,700

Notes to the statement of cash flows for the year to 31 March 2024.

A Reconciliation of net movement in funds to net cash used in operating activities

	2024 £	As restated 2023 £
Net movement in funds (as per the statement of financial activities)	2,418,220	(3,639,098)
Adjustments for:		
(Gains)/Losses on investments	(4,264,265)	1,711,445
Investment income	(12,248)	(14,310)
Decrease/(increase) in debtors	45,457	(22,513)
(Decrease)/increase in creditors	41,559	10,928
Net cash used in operating activities	(1,771,277)	(1,953,548)

B Analysis of cash and cash equivalents

	2023 £	Cashflows £	2024 £
Cash at bank and in hand	601,700	(259,029)	342,671
Total cash and cash equivalents	601,700	(259,029)	342,671

The notes on pages 23 to 33 form part of these financial statements.

Principal accounting policies 31 March 2024

The DHL UK Foundation is a charitable company incorporated in and Wales, with the charity registration number 327880 and the company registration number 02223373. The registered office is Eastworth House, Eastworth Road, Chertsey, KT16 8SH. The principal activities of the Charity are as set out on in the Trustees Report, page 3 of these financial statements.

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

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. A prior year restatement has been made to the comparative figures. See note 18.

The charity constitutes a public benefit entity as defined by FRS 102.

All financial information is presented in British Pounds Sterling (£), the charity's functional currency, and has been rounded to the nearest pound (£).

Critical accounting estimates and areas of judgement

The preparation of financial statements requires the use of certain critical accounting estimates and judgements. It also requires the trustees to exercise judgement in the process of applying accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including an expectation of future events that are believed to be reasonable under the circumstances. Although these estimates are based on the trustees' best knowledge of the amount, event or actions, actual results may differ from those estimates.

Areas requiring the use of estimates and critical judgements that may impact on the charity's financial activities and financial position include multi-year grant commitment, where judgements are made for recognising grants payable where the payment is not due until future periods. In accordance with the charity's accounting policy for expenditure recognition, multi-year grant commitments are only recognised when approved and all conditions have been satisfied.

Assessment of going concern

The trustees of the charity have not identified any material uncertainties relating to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern.

The trustees have considered the economic climate and have concluded that it is appropriate for the Foundation to continue to prepare its accounts on the going concern basis, not least because the Foundation's cash reserves have been managed to ensure they are sufficient to meet the anticipated grant commitments for the ensuing years.

Income

Income from donations is recognised in the period in which the charity becomes entitled to the donation and where receipt is probable, and its amount can be measured reliably.

Investment income comprises interest on the charity's cash balances and is recognised when receipt is probable, and the amount can be measured reliably using the effective interest method.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. It includes VAT which cannot be recovered.

Expenditure on charitable activities comprises grants payable and related support and governance costs.

Grants payable

Grants payable are recognised when approved and when the intended recipient has either received the funds or been informed of the decision to make the donation and has satisfied all related conditions.

Grants are not accrued, but are noted as financial commitments in the notes to the financial statements, under the following circumstances:

- Where the beneficiary has not been informed; or
- Where the beneficiary has to meet certain explicit conditions before the grant is released; or
- Where the amount and timing of matched funding payments is uncertain.

Support and governance costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administration, personnel and governance costs. Governance costs include audit costs and legal costs relating to the charity's compliance with regulation and good practice.

Fixed asset investments

The charity's investment in quoted shares and similar investments are initially measured at cost and subsequently at market value. Investment gains and losses, whether realised or unrealised, are recognised in the statement of financial activities in the period in which they arise.

Financial instruments

The charity only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the charity and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Principal accounting policies 31 March 2024

Financial liabilities –accruals and other creditors are financial instruments and are measured at amortised cost as detailed in note 13. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Debtors

Trade and other debtors are initially recognised at their settlement amount and subsequently at amortised cost or their recoverable amount. Impairment provisions are recognised when there is objective evidence, such as significant financial difficulties on the part of the counterparty or default or a significant delay in payment, that the charity will be unable to collect all of the amounts due.

Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year have been disclosed as short-term deposits.

Creditors and provisions

Creditors and provisions 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 measured or estimated reliably.

Creditors and provisions are initially recognised at fair value, being the amount, the charity anticipates it will pay to settle the debt, and subsequently at amortised cost.

Principal accounting policies 31 March 2024

Funds

The expendable endowment fund represents the market value of the charity's investment portfolio and comprises of monies set aside out of general funds in pursuit of the objectives of the charity.

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charity's charitable objects.

Pension costs

Employer's contributions in respect of defined contribution pension schemes are charged to the statement of financial activities in the year in which they are payable to the scheme.

Notes to the financial statements 31 March 2024

1 Donations

	Unrestricted 2024 £	2024 Total funds £	2023 Total funds £
Donation from DHL	398,129	398,129	393,929
Gift in kind from DHL	133,717	133,717	160,511
Total funds	531,846	531,846	554,440

Gifts in kind represent the donation of DHL employee time spent on Foundation activities in the year. It represents approximately 2,363 hours of volunteer time (2023 – 4,097 hours).

No restricted income was received in either year.

2 Investments

	2024 Total funds £	As restated 2023 Total funds £
Interest receivable	12,248	14,310

3 Charitable expenditure

	Unrestricted 2024 £	Restricted 2024 £	2024 Total funds £	Unrestricted 2023 Total funds £
Grants payable (note 4)	2,139,009	-	2,139,009	2,227,287
Other activities (note 5)	168,775	-	168,775	182,106
Governance costs (note 7)	82,355	-	82,355	87,062
Total funds	2,390,139	-	2,390,139	2,496,455

4 Grants payable

Grants payable analysed between activities and projects with the main recipients were as follows:

	Unrestricted 2024 £	Restricted 2024 £	2024 Total funds £	Unrestricted 2023 Total funds £
Engagement:				
. Match it!	107,580	-	107,580	106,485
. Helping Hands Scheme	95,813	-	95,813	135,365
Education & Employability				
. Outward Bound Trust	133,293	-	133,293	125,791
. Teach First	250,000	-	250,000	250,000
. Go Teach	3,967	-	3,967	5,866
. Coram Beanstalk	-	-	-	40,000
. Street League	292,807	-	292,807	336,427
. City Year UK	135,000	-	135,000	185,000
. Think Forward	120,000	-	120,000	170,000
. Place2Be	100,000	-	100,000	100,000
. The Difference	100,000	-	100,000	100,000
. Bookmark	100,000	-	100,000	-
. Other: Trustee donations	7,400	-	7,400	7,900
. Other: International disasters	5,000	-	5,000	5,000
	<u>1,450,860</u>	<u>-</u>	<u>1,450,860</u>	<u>1,567,834</u>
Allocation of support costs (note 6)	688,149	-	688,149	659,453
Total funds	<u>2,139,009</u>	<u>-</u>	<u>2,139,009</u>	<u>2,227,287</u>

A reconciliation of grants paid, and grant commitments is as follows:

	2024 Total funds £	2023 Total funds £
Grant commitments at 1 April 2023	24,749	17,846
Grants made in the year	1,450,860	1,567,834
Grants paid in the year	(1,467,931)	(1,560,931)
Grant commitments at 31 March 2024	<u>7,678</u>	<u>24,749</u>

5 Other charitable activities

	Unrestricted	
	2024 Total funds £	2023 Total funds £
Direct costs		
. Trucks and Child Safety	12,802	4,459
. Gifts in kind – DHL employee services	117,742	141,011
	130,544	145,470
Allocation of support costs (note 6)	38,231	36,636
Total funds	168,775	182,106

6 Support costs

The support costs incurred during the year to 31 March 2024 and the bases of their allocation were as follows:

	Cost of raising funds £	Grants payable £	Other charitable activities £	Governance £	2024 Total £
Staff costs	-	419,837	23,325	23,325	466,487
Consultancy	-	26,323	1,463	1,463	29,249
Irrecoverable VAT	-	100,494	5,583	5,583	111,660
Marketing and promotions	-	12,364	687	687	13,738
Office costs	-	26,864	1,493	1,493	29,850
Accommodation and travel	-	16,863	937	937	18,737
Car expenses	-	29,113	1,618	1,618	32,349
Sundry expenses	-	56,291	3,125	3,125	62,541
	-	688,149	38,231	38,231	764,611

	Cost of raising funds £	Grants payable £	Other charitable activities £	Governance £	2023 Total £
Staff costs	—	396,136	22,007	22,007	440,150
Consultancy	—	35,125	1,951	1,951	39,027
Irrecoverable VAT	—	109,742	6,097	6,097	121,936
Marketing and promotions	—	18,906	1,050	1,050	21,006
Office costs	—	25,759	1,431	1,431	28,621
Accommodation and travel	—	16,354	909	909	18,172
Car expenses	—	33,063	1,837	1,837	36,737
Sundry expenses	—	24,368	1,354	1,354	27,076
	—	659,453	36,636	36,636	732,725

Support costs are allocated using estimates of the proportion of staff time spent on each activity and were revised in the current financial year to reflect the activities absorbing staff time (see note 9).

7 Governance costs

	Unrestricted	
	2024 Total funds £	2023 Total funds £
Direct costs:		
. Audit fees	19,230	16,200
. Meeting expenses	768	145
. Bank charges	538	491
. Legal and professional	7,613	14,090
. Gifts in kind – DHL employee services	15,975	19,500
	44,124	50,426
Allocation of support costs (note 6)	38,231	36,636
Total funds	82,355	87,062

8 Net (expenditure)/income

This is stated after charging:

	Unrestricted	
	2024 Total funds £	2023 Total funds £
Staff costs (note 9)	466,487	440,150
Auditor's remuneration for statutory audit services	19,230	16,200

9 Staff costs including key management personnel and trustees' remuneration

Staff costs during the year were as follows:

	2024 £	2023 £
Wages and salaries	372,102	345,704
Social security costs	40,469	45,413
Other pension costs	53,916	49,033
	466,487	440,150

One employee earned over £70,000 and one employee earned over £60,000 (including taxable benefits but excluding employer pension contributions) during the year (2023 – two employees earned over £60,000).

The average number of employees during the year was nine (2023 – eight). The employees were all engaged in support activities on the following estimated proportions: 95% on charitable activities and 5% on governance.

The Foundation's staff have employment contracts with DHL and staff costs are invoiced to the Foundation (see note 17).

9 Staff costs including key management personnel and trustees' remuneration (continued)

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the charity and are represented by the trustees, the Chief Executive, Programme Directors and the Foundation Manager.

The number of key management personnel was 12 (2023: 10).

The total emoluments received by the key management personnel was £466,487 (2023: £440,150).

Trustees' remuneration

None of the trustees received any remuneration in respect of their services during the year (2023 - none).

During the year out of pocket travelling expenses amounting to £1,428 (2023 - £1,362) were reimbursed to two trustees (2023 – three).

10 Taxation

The DHL UK Foundation is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

11 Investments

	2024 £	As restated 2023 £
Listed investments		
Market value at 1 April 2023	31,609,200	33,320,645
Additions at cost	1,500,000	2,000,000
Disposals	(3,000,000)	(2,080,860)
Movement in investment market value	4,264,265	(1,630,585)
Market value at 31 March 2024	<u>34,373,465</u>	<u>31,609,200</u>
 Cost of listed investments at 31 March 2024	 <u>25,019,452</u>	 <u>24,651,502</u>

Investments held at 31 March 2024 comprised the following:

	2024 £	2023 £
OEIC Funds	34,373,465	31,609,200

Notes to the financial statements 31 March 2024

11 Investments (continued)

At 31 March 2024 the following individual investment holdings are deemed material when compared to the overall investment values:

Holding	2024		2023	
	Market value of holding £	Percentage of total portfolio %	Market value of holding £	Percentage of total portfolio %
Return Plus Fund S (held as short-term investments)	1,113,453	3%	1,533,422	5%
LPI Global Equity Fund	8,765,274	26%	8,032,136	25%
LTGG Fund B	9,287,322	27%	7,958,620	25%
Dynamic Real Return S Accumulation	6,191,918	18%	6,158,288	20%
BNY Mellon Real Return Fund Newton	5,864,296	17%	5,946,293	19%
TM Fulcrum Diversified Liquid Alt F ACC	3,151,202	9%	1,980,441	6%
	34,373,465	100%	31,609,200	100%

12 Debtors

	2024 £	2023 £
Trade debtors	964	30,279
Other debtors	-	10,072
Prepayments and accrued income	46,938	53,008
	47,902	93,359

13 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	133,732	74,718
Grants payable	7,678	24,749
Accruals	38,035	38,419
	179,445	137,886

14 Endowment funds

Movements on the expendable endowment fund during the year can be summarised as follows:

	At 1 April 2023 £	Income £	Transfers Gains and losses £	At 31 March 2024 £
Endowment fund	31,609,200	135,365	2,628,900	34,373,465

	At 1 April 2022 £	Income £	Transfers Gains and losses £	At 31 March 2023 £
Endowment fund	33,320,645	92,631	(1,804,076)	31,609,200

The endowment funds are represented in full by the investment portfolio.

15 Analysis of net assets between funds

	General fund £	Endowment funds £	Total 2024 £
Fund balances at 31 March 2024 are represented by:			
Investments	-	33,260,012	33,260,012
Current assets	390,573	1,113,453	1,504,026
Creditors: amounts falling due within one year	(179,445)	-	(179,445)
Total net assets	211,128	34,373,465	34,584,593
	General fund £	Endowment funds £	Total 2023 £
Fund balances at 31 March 2023 are represented by:			
Investments	-	30,075,778	30,075,778
Current assets	695,059	1,533,422	2,228,481
Creditors: amounts falling due within one year	(137,886)	-	(137,886)
Total net assets	557,173	31,609,200	32,166,373

16 Liability of members

The DHL UK Foundation is a company limited by guarantee. In the event of winding up, the maximum amount guaranteed to be contributed by each member is £1.

17 Related Parties

The Foundation is independent of any other body. However, it was endowed by the National Freight Consortium (NFC) plc. In May 2000, NFC plc merged with Exel plc and on 12 December 2005, Deutsche Post DHL (previously called Deutsche Post World Net) acquired Exel plc, which was renamed DHL.

The DHL UK Foundation had the following transactions with DHL:

- Donations of £398,129 (2023 - £393,929) were received from DHL in the year ended 31 March 2024.
- Service costs of £625,643 (2023 - £622,551) were paid by the Foundation to DHL for staff costs and infrastructure expenses.
- DHL employees provided unpaid volunteer hours with an estimated value of £133,717 (2023 - £160,511).
- As at year-end, the DHL UK Foundation had an outstanding balance of £59,906 (2023: £57,189) with DHL.

18 Prior period restatement

The comparative figures, for income from investments, and net gains and losses on investments, have been restated in the Statement of financial activities. This is to reflect the correct accounting treatment of the Charity's investment assets which are all non-distributing capital appreciation unit funds. This reclassification adjustment amounted to £92,631 between investment income and gains and losses on investments in the SOFA. There is no impact on the balance sheet in either year.