

# Drop Inn Ministries Ltd.

Northern Ireland · Charity number 108029

## Details

Status	Received
Company number	<a href="#">649755</a>
Registered	2021-03-20
Register	<a href="#">View on the Charity Commission for Northern Ireland register</a>

## Contact

Address	123 Keady Road Armagh BT60 3ad BT60 3AD
Phone	028 3778 9406
Email	<a href="mailto:info@dropinn.net">info@dropinn.net</a>
Website	<a href="http://www.dropinn.net">www.dropinn.net</a>

## Activities

**Purposes:** The Company's objects (the "Objects") are: (i) To advance the Christian religion for the benefit of the public in the area of benefit. (ii) Associating together the said inhabitants and the local authorities voluntary and other organisations in the area of benefit in a common effort to relieve poverty and advance education and to provide facilities in the interests of welfare with the object of improving the conditions of life for the said inhabitants;"

**What the charity does:** The advancement of religion, The advancement of citizenship or community development

**How the charity works:** Overseas aid/famine relief, Relief of poverty, Religious activities

**Who the charity helps:** Addictions (drug/solvent/alcohol abuse), Children (5-13 year olds), General public, Homelessness, Overseas/developing countries, Unemployed/low income

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-09-30	£2,684,594	£2,559,370	£-243,595	84

## Trustees

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Name	Role	Appointed
Mr Neville Garland		
Mr Ronnie Dawson		
Mr Tommy Stewart		

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**Drop Inn Ministries Ltd.**

Northern Ireland - Charity number 108029

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# Accounts

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Company registration number: NI649755

Charity registration number: 108029

# Drop Inn Ministries Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 September 2024

David Lyttle & Co Ltd  
Station House  
46 Molesworth Street  
Cookstown  
Co Tyrone  
BT80 8PA

# Drop Inn Ministries Limited

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## **Drop Inn Ministries Limited**

### **Reference and Administrative Details**

<b>Trustees</b>	Mr Neville Gartland Mr Ronald Dawson Mr Thomas Stewart Mr Michael Rollo
<b>Secretary</b>	Mr Thomas Stewart
<b>Charity Registration Number</b>	108029
<b>Company Registration Number</b>	NI649755
<b>Registered Office</b>	The charity is incorporated in Northern Ireland. 24 Ballyleny Road Richhill Co Armagh BT61 9LS
<b>Auditor</b>	David Lyttle & Co Ltd Station House 46 Molesworth Street Cookstown Co Tyrone BT80 8PA

# Drop Inn Ministries Limited

## Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 30 September 2024.

### Objectives and activities

#### *Objects and aims*

The company's objects are:

- To advance the Christian religion for the benefit of the public in the area of benefit
- Associating together the said inhabitants and the local authorities voluntary and other organisations in the area of benefit in a common effort to relieve poverty and advance education and to provide facilities in the interests of welfare with the object of improving the conditions of life for the said inhabitants

#### *Public benefit*

The principal activities of the charity are to equip and mobilise people for mission and to bring hope, help and healing to the hurting world through the operation of various humanitarian projects. The projects are financed through surplus funds generated by the operation of numerous charity shops, various donations, sponsorship and fundraising activities.

The trustees confirm that they have complied with the requirements of the Charities Act (Northern Ireland) 2008 to have due regard to the public benefit guidance published by the Charity Commission for Northern Ireland

### Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:

- Mr Neville Gartland
- Mr Ronald Dawson
- Mr Thomas Stewart
- Mr Michael Rollo

Secretary: Mr Thomas Stewart

### Structure, governance and management

#### *Nature of governing document*

The charity is registered with the Charities Commission for Northern Ireland (Registered Number 101694). The company is controlled by its trustees who are directors of the company for the purposes of the Companies Act 2006 and its governed by the provisions contained in the Memorandum and Articles of Association.

All trustees are members and directors of the Charitable Company and stand as guarantors of the charitable company in the sum of £ 10 each.

### Headquarters

During 2023/2024 Ballyards Castle continued to be the head office of all Drop Inn Projects.

The facilities at Ballyards allowed the charity to host prayer events, retreats, Christian conferences and visits from missions team and project partners from various nations.

# Drop Inn Ministries Limited

## Trustees' Report

### Finances

During this financial year we continued to see a steady, and at times strong financial performance in our charity shops, with the development of some new stores, including outlet stores that sell off stock at reduced cost.

The income base is steadily growing from local support to provide assistance internationally in 30 different nations and continues with capital acquisition to aid the long-term stability of the charity.

The charity endeavours to keep a prudent amount in reserve for cash flow purposes but most funds are spent in the short term.

### International Missions

During the year, members of the board and senior leadership team have been able to visit international partners, review project work and provide increased leadership support to projects. These visits are a great source of encouragement to our international partners. Short-term mission experiences often lead to increased prayer support for Drop Inn as well as an increase in Child Sponsorships and giving to the various projects people visit.

A continued aspect of international support this year, has been ongoing support to project partners in Ukraine, helping them address the humanitarian crisis that has taken place as a result of the war.

### Local Missions

Local Outreach Ministries – Our team continues, as appropriate, to visit local people in need and offer practical support. This helps to connect disenfranchised people with other organizations such as foodbanks, social workers etc. This serves to provide a service to bring immediate need as well as continuation of support to facilitate positive outcomes within our local community. In addition we have been able to partner with the Southern Trust to offer support to unaccompanied minors arriving in Northern Ireland from nations where their lives would have been at risk.

Drop Inn partners with Grace Community Church in Richhill, to operate a youth outreach in 'The Hub' as well as a Drop Inn Centre for youth on Thursday nights. Different staff and volunteers offer a safe place for local youth to connect to positive resources and mentors.

Three of our main focuses locally consist of: Aspire NI, J29, and Reach.

### Statement of trustees' responsibilities

The trustees (who are also the directors of Drop Inn Ministries Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

## Drop Inn Ministries Limited

### Trustees' Report

The trustees are responsible for keeping proper accounting records that can 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 and Charities Act (Northern Ireland) 2008. 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Disclosure of information to auditor**

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 23 July 2025 and signed on its behalf by:



Mr Ronald Dawson  
Trustee

## Drop Inn Ministries Limited

### Independent Auditor's Report to the Members of Drop Inn Ministries Limited

#### Opinion

We have audited the financial statements of Drop Inn Ministries Limited (the 'charity') for the year ended 30 September 2024, which comprise the Statement of Financial Activities, Balance Sheet, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 annual report, other than the financial statements and our auditor's report thereon. 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.

## Drop Inn Ministries Limited

### Independent Auditor's Report to the Members of Drop Inn Ministries Limited

#### Opinion on other matter 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

#### Responsibilities of trustees

As explained more fully in the Statement of trustees' responsibilities (set out on page 3 and 4), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

#### Auditor 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

## Drop Inn Ministries Limited

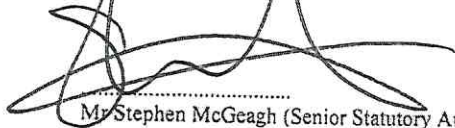
### Independent Auditor's Report to the Members of Drop Inn Ministries Limited

- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the charity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the charity audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Stephen McGeagh (Senior Statutory Auditor)  
For and on behalf of David Lyttle & Co Ltd, Statutory Auditor

Station House  
46 Molesworth Street  
Cookstown  
Co Tyrone  
BT80 8PA

23 July 2025

## Drop Inn Ministries Limited

### Statement of Financial Activities for the Year Ended 30 September 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	47,415	42,573	89,988
Other trading activities	4	2,580,438	-	2,580,438
Investment income	5	10,200	-	10,200
Other income		-	3,968	3,968
Total income		<u>2,638,053</u>	<u>46,541</u>	<u>2,684,594</u>
<b>Expenditure on:</b>				
Raising funds	6	(2,075,895)	(153)	(2,076,048)
Charitable activities	7	(393,130)	(90,192)	(483,322)
Total expenditure		<u>(2,469,025)</u>	<u>(90,345)</u>	<u>(2,559,370)</u>
Net income/(expenditure)		<u>169,028</u>	<u>(43,804)</u>	<u>125,224</u>
Net movement in funds		169,028	(43,804)	125,224
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>963,365</u>	<u>80,042</u>	<u>1,043,407</u>
Total funds carried forward	22	<u>1,132,393</u>	<u>36,238</u>	<u>1,168,631</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	42,203	52,028	94,231
Other trading activities	4	2,518,517	-	2,518,517
Investment income	5	3,600	-	3,600
Total income		<u>2,564,320</u>	<u>52,028</u>	<u>2,616,348</u>
<b>Expenditure on:</b>				
Raising funds	6	(1,957,928)	(15)	(1,957,943)
Charitable activities	7	(441,917)	(37,032)	(478,949)
Total expenditure		<u>(2,399,845)</u>	<u>(37,047)</u>	<u>(2,436,892)</u>
Net income		<u>164,475</u>	<u>14,981</u>	<u>179,456</u>
Net movement in funds		164,475	14,981	179,456
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>798,890</u>	<u>65,061</u>	<u>863,951</u>
Total funds carried forward	22	<u>963,365</u>	<u>80,042</u>	<u>1,043,407</u>

The notes on pages 12 to 24 form an integral part of these financial statements.

**Drop Inn Ministries Limited**

**Statement of Financial Activities for the Year Ended 30 September 2024  
(Including Income and Expenditure Account and Statement of Total Recognised Gains and  
Losses)**

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2023 is shown in note 22.

**Drop Inn Ministries Limited**  
**(Registration number: NI649755)**  
**Balance Sheet as at 30 September 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	15	1,008,680	556,788
Investments	16	<u>203,910</u>	<u>106,041</u>
		<u>1,212,590</u>	<u>662,829</u>
<b>Current assets</b>			
Debtors	17	33,978	10,879
Cash at bank and in hand	18	<u>165,658</u>	<u>627,109</u>
		199,636	637,988
<b>Creditors: Amounts falling due within one year</b>	19	<u>(72,126)</u>	<u>(79,851)</u>
<b>Net current assets</b>		<u>127,510</u>	<u>558,137</u>
<b>Total assets less current liabilities</b>		1,340,100	1,220,966
<b>Creditors: Amounts falling due after more than one year</b>	20	<u>(171,469)</u>	<u>(177,559)</u>
<b>Net assets</b>		<u>1,168,631</u>	<u>1,043,407</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		36,238	80,042
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>1,132,393</u>	<u>963,365</u>
<b>Total funds</b>	22	<u>1,168,631</u>	<u>1,043,407</u>

The financial statements on pages 8 to 24 were approved by the trustees, and authorised for issue on 23 July 2025 and signed on their behalf by:



Mr Ronald Dawson  
Trustee

The notes on pages 12 to 24 form an integral part of these financial statements.

## Drop Inn Ministries Limited

### Statement of Cash Flows for the Year Ended 30 September 2024

	Note	2024 £	2023 £
<b>Cash flows from operating activities</b>			
Net cash income		125,224	179,456
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	6	41,289	31,365
Investment income	5	<u>(10,200)</u>	<u>(3,600)</u>
		156,313	207,221
<b>Working capital adjustments</b>			
(Increase)/decrease in debtors	17	(23,099)	28,167
Decrease in creditors	19	<u>(7,725)</u>	<u>(5,634)</u>
Net cash flows from operating activities		<u>125,489</u>	<u>229,754</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	10,203	3,598
Purchase of tangible fixed assets	15	(493,181)	(109,492)
Purchase of investments	16	<u>(97,869)</u>	<u>(106,041)</u>
Net cash flows from investing activities		(580,847)	(211,935)
<b>Cash flows from financing activities</b>			
Repayment of loans and borrowings	19	<u>(6,090)</u>	<u>(8,089)</u>
Net (decrease)/increase in cash and cash equivalents		(461,448)	9,730
Cash and cash equivalents at 1 October		<u>627,106</u>	<u>617,376</u>
Cash and cash equivalents at 30 September		<u><u>165,658</u></u>	<u><u>627,106</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 12 to 24 form an integral part of these financial statements.

## **Drop Inn Ministries Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2024**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in Northern Ireland, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

24 Ballyleny Road

Richhill

Co Armagh

BT61 9LS

These financial statements were authorised for issue by the trustees on 23 July 2025.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **Basis of preparation**

Drop Inn Ministries Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Income and endowments**

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

##### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2024

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

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.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £250.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold buildings	4 % straight line
Plant and machinery	25% reducing balance
Fixtures and fittings	10% reducing balance
Motor vehicles	20% straight line

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2024

#### Investment properties

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2024

#### Financial instruments

##### *Classification*

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### 3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Donations and legacies;			
Gifts and church tythes	47,415	-	47,415
Gifts received for Humanitarian aid	-	42,573	42,573
<b>Total for 2024</b>	47,415	42,573	89,988
<b>Total for 2023</b>	42,203	52,028	94,231

#### 4 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading income;		
Shop income from sale of donated goods and services	2,573,938	2,573,938
Hire of Ballyards	6,500	6,500
<b>Total for 2024</b>	2,580,438	2,580,438
<b>Total for 2023</b>	2,518,517	2,518,517

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2024

#### 5 Investment income

	Unrestricted funds General £	Total funds £
Income from rents	10,200	10,200
<b>Total for 2024</b>	<b>10,200</b>	<b>10,200</b>
<b>Total for 2023</b>	<b>3,600</b>	<b>3,600</b>

#### 6 Expenditure on raising funds

##### a) Costs of trading activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Depreciation, amortisation and other similar costs		41,288	-	41,288
Other direct costs of activities for generating funds		619,562	153	619,715
Allocated support costs	8	3,644	-	3,644
<b>Total for 2024</b>		<b>664,494</b>	<b>153</b>	<b>664,647</b>
<b>Total for 2023</b>		<b>640,124</b>	<b>15</b>	<b>640,139</b>

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2024

#### 7 Expenditure on charitable activities

		Unrestricted funds General	Restricted funds	Total 2024
	Note	£	£	£
Governance costs	8	379,762 <u>13,368</u>	90,192 <u>-</u>	469,954 <u>13,368</u>
		<u>393,130</u>	<u>90,192</u>	<u>483,322</u>
				<b>2023</b>
	Note	£	£	£
Governance costs	8	431,191 <u>10,726</u>	37,032 <u>-</u>	468,223 <u>10,726</u>
		<u>441,917</u>	<u>37,032</u>	<u>478,949</u>
				<b>2024</b>
			<b>Activity support costs</b>	<b>2023</b>
Mission expenses			£ <u>468,223</u>	£ <u>468,223</u>

In addition to the expenditure analysed above, there are also governance costs of £13,368 (2023 - £10,726) which relate directly to charitable activities. See note 8 for further details.

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2024

#### 8 Analysis of governance and support costs

##### Governance costs

	Unrestricted funds General £	Total 2024 £
Audit fees		
Audit of the financial statements	3,050	3,050
Independent examiner fees		
Preparation of annual accounts	4,600	4,600
Legal fees	5,718	5,718
	13,368	13,368
	13,368	13,368
	Unrestricted funds General £	Total 2023 £
Audit fees		
Audit of the financial statements	2,330	2,330
Independent examiner fees		
Other fees paid to examiners	4,045	4,045
Legal fees	4,351	4,351
	10,726	10,726
	10,726	10,726

#### 9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2024 £	2023 £
Audit fees	3,050	2,330
Depreciation of fixed assets	41,288	31,365
	44,338	33,695
	44,338	33,695

#### 10 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

##### **Mr Ronald Dawson**

Mr Ronald Dawson received remuneration of £42,423 (2023: £41,886) during the year.

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2024

#### 11 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
<b>Staff costs during the year were:</b>		
Wages and salaries	1,311,718	1,228,342
Social security costs	83,949	74,595
Pension costs	15,574	14,815
Other staff costs	160	52
	<u>1,411,401</u>	<u>1,317,804</u>

No employee received emoluments of more than £60,000 during the year.

#### 12 Independent examiner's remuneration

	2024 £	2023 £
<b>Other fees to examiners</b>		
Preparation of annual accounts	<u>4,600</u>	<u>4,045</u>

#### 13 Auditors' remuneration

	2024 £	2023 £
Audit of the financial statements	<u>3,050</u>	<u>2,330</u>

#### 14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2024

#### 15 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 October 2023	507,818	92,157	44,302	644,277
Additions	460,227	4,959	27,995	493,181
At 30 September 2024	968,045	97,116	72,297	1,137,458
<b>Depreciation</b>				
At 1 October 2023	38,355	32,768	16,366	87,489
Charge for the year	20,313	6,671	14,305	41,289
At 30 September 2024	58,668	39,439	30,671	128,778
<b>Net book value</b>				
At 30 September 2024	909,377	57,677	41,626	1,008,680
At 30 September 2023	469,463	59,389	27,936	556,788

#### 16 Fixed asset investments

	2024 £	2023 £
Investment properties	203,910	106,041

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2024

#### Investment properties

	Investment properties £
<b>Cost or Valuation</b>	
At 1 October 2023	106,041
Additions	<u>97,869</u>
At 30 September 2024	203,910
<b>Provision</b>	
At 30 September 2024	<u>-</u>
<b>Net book value</b>	
At 30 September 2024	<u>203,910</u>
At 30 September 2023	<u>106,041</u>

The investment property was purchased during the financial year. The property was valued on 30th September 2024 by the directors who are internal to the company. The basis for this valuation was fair value. The directors do not believe that there is a material difference between the current market value and the initial purchase price of the property. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

#### 17 Debtors

	2024 £	2023 £
Prepayments	12,193	9,494
VAT recoverable	20,749	-
Other debtors	<u>1,036</u>	<u>1,385</u>
	<u>33,978</u>	<u>10,879</u>

#### 18 Cash and cash equivalents

	2024 £	2023 £
Cash on hand	30,163	10,543
Cash at bank	<u>135,495</u>	<u>616,563</u>
	<u>165,658</u>	<u>627,106</u>

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2024

#### 19 Creditors: amounts falling due within one year

	2024 £	2023 £
Bank loans	23,640	23,640
Trade creditors	5,941	13,943
Other taxation and social security	19,705	17,671
VAT creditor	-	1,702
Other creditors	2,642	3,322
Accruals	20,198	19,573
	<u>72,126</u>	<u>79,851</u>

Creditors due within one year includes the following liabilities, on which security has been given by the charity:

	2024 £	2023 £
Bank Loan	<u>23,640</u>	<u>23,640</u>

#### 20 Creditors: amounts falling due after one year

	2024 £	2023 £
Bank loans	<u>171,469</u>	<u>177,559</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity:

	2024 £	2023 £
Bank Loan	<u>171,469</u>	<u>177,559</u>

The bank loan liability relates to a legal mortgage and commercial all monies charge over property at 71 - 79 Armagh Road, Portadown.

#### 21 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £15,574 (2023 - £14,815).

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2024

#### 22 Funds

	Balance at 1 October 2023 £	Incoming resources £	Resources expended £	Balance at 30 September 2024 £
<b>Unrestricted funds</b>				
General	963,365	2,638,053	(2,469,025)	1,132,393
<b>Restricted funds</b>	<u>80,042</u>	<u>46,541</u>	<u>(90,345)</u>	<u>36,238</u>
<b>Total funds</b>	<u>1,043,407</u>	<u>2,684,594</u>	<u>(2,559,370)</u>	<u>1,168,631</u>
	Balance at 1 October 2022 £	Incoming resources £	Resources expended £	Balance at 30 September 2023 £
<b>Unrestricted funds</b>				
General	798,890	2,564,320	(2,399,845)	963,365
<b>Restricted funds</b>	<u>65,061</u>	<u>52,028</u>	<u>(37,047)</u>	<u>80,042</u>
<b>Total funds</b>	<u>863,951</u>	<u>2,616,348</u>	<u>(2,436,892)</u>	<u>1,043,407</u>

#### 23 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 30 September 2024 £
Tangible fixed assets	1,008,680	-	1,008,680
Fixed asset investments	203,910	-	203,910
Current assets	163,198	36,438	199,636
Current liabilities	(72,126)	-	(72,126)
Creditors over 1 year	<u>(171,469)</u>	<u>-</u>	<u>(171,469)</u>
<b>Total net assets</b>	<u>1,132,193</u>	<u>36,438</u>	<u>1,168,631</u>
	Unrestricted funds General £	Restricted funds £	Total funds at 30 September 2023 £
Tangible fixed assets	556,788	-	556,788
Fixed asset investments	106,041	-	106,041
Current assets	557,744	80,241	637,985
Current liabilities	(79,851)	-	(79,851)
Creditors over 1 year	<u>(177,559)</u>	<u>-</u>	<u>(177,559)</u>
<b>Total net assets</b>	<u>963,163</u>	<u>80,241</u>	<u>1,043,404</u>

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2024

#### 24 Analysis of net funds

	At 1 October 2023 £	Financing cash flows £	At 30 September 2024 £
Cash at bank and in hand	627,107	(461,449)	165,658
Net debt	627,107	(461,449)	165,658
	At 1 October 2022 £	Financing cash flows £	At 30 September 2023 £
Cash at bank and in hand	617,376	9,730	627,106
Net debt	617,376	9,730	627,106

**Drop Inn Ministries Ltd.**

Northern Ireland - Charity number 108029

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# Accounts

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Company registration number: NI649755

Charity registration number: 108029

# Drop Inn Ministries Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 30 September 2023

David Lyttle & Co Ltd  
Station House  
46 Molesworth Street  
Cookstown  
Co Tyrone  
BT80 8PA

## **Drop Inn Ministries Limited**

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## **Drop Inn Ministries Limited**

### **Reference and Administrative Details**

<b>Secretary</b>	Mr Thomas Stewart
<b>Charity Registration Number</b>	108029
<b>Company Registration Number</b>	NI649755
<b>Registered Office</b>	The charity is incorporated in Northern Ireland. 123 Keady Road Armagh Co Armagh BT60 3AD
<b>Auditor</b>	David Lyttle & Co Ltd Station House 46 Molesworth Street Cookstown Co Tyrone BT80 8PA

## **Drop Inn Ministries Limited**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 30 September 2023.

#### **Objectives and activities**

##### *Objects and aims*

The company's objects are:

- To advance the Christian religion for the benefit of the public in the area of benefit
- Associating together the said inhabitants and the local authorities voluntary and other organisations in the area of benefit in a common effort to relieve poverty and advance education and to provide facilities in the interests of welfare with the object of improving the conditions of life for the said inhabitants

##### *Public benefit*

The principal activities of the charity are to equip and mobilise people for mission and to bring hope, help and healing to the hurting world through the operation of various humanitarian projects. The projects are financed through surplus funds generated by the operation of numerous charity shops, various donations, sponsorship and fundraising activities.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Mr Neville Gartland
	Mr Ronald Dawson
	Mr Thomas Stewart
	Mr Michael Rollo
Secretary:	Mr Thomas Stewart

#### **Structure, governance and management**

##### *Nature of governing document*

The charity is registered with the Charities Commission for Northern Ireland (Registered Number 101694). The company is controlled by its trustees who are directors of the company for the purposes of the Companies Act 2006 and is governed by the provisions contained in the Memorandum and Articles of Association.

All trustees are members and directors of the Charitable Company and stand as guarantors of the charitable company in the sum of £ 10 each.

#### **Headquarters- Ballyards Castle**

Ballyards Castle is the head office of all Drop Inn Projects.

The facilities at Ballyards allows the charity to host prayer events, retreats, Christian conferences and visits from missions team and project partners from various nations. During the time period of this financial year we began to see the usage of Castle continued to develop, following on a lull after the COVID period.

# Drop Inn Ministries Limited

## Trustees' Report

### Finances

During this financial year we have seen a steady, and at times strong financial performance in our charity shops, with the development of some new stores, including outlet stores that sell off stock at reduced cost.

With a steady, and at times growing income base we have been able to maintain and grow our support to locally as well as internationally in 30 different nations as well as to continue with capital acquisition to aid the long-term stability of our income base.

The charity endeavours to keep a prudent amount in reserve for cash flow purposes but most funds are spent in the short term.

### International Missions

During the year, members of the board and senior leadership team we have been able to visit international partners, review project work and provide increased leadership support to projects. These visits are a great source of engagements to our international partners. Short-term mission experiences often lead to increased prayer support for Drop Inn as well as an increase in Child Sponsorships and giving to the various projects people visit.

A continued aspect of international support this year, has been increased support to project partners in Ukraine, helping them address the humanitarian crisis that has taken place as a result of the war.

### Local Missions

Local Outreach Ministries – Our team continue, as appropriate, to visit local people in need and offer practical support. This helps to connect disenfranchised people with other organizations such as foodbanks, social workers etc. This serves to provide a service to bring immediate need as well as continuation of support to facilitate positive outcomes within our local community. In addition we have been able to partner with the Southern Trust to offer support to unaccompanied minors arriving in Northern Ireland from nations where their lives would have been at risk.

Drop Inn partners with Grace Community Church in Richhill, to operate a youth outreach in 'The Living Room' as well as a Drop Inn Centre for youth on Wednesday nights. Different staff and volunteers offer a safe place for local youth to connect to positive resources and mentors.

Three of our main focuses locally consist of: Aspire NI, Madlug, and Hope Mission.

### Statement of trustees' responsibilities

The trustees (who are also the directors of Drop Inn Ministries Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

## **Drop Inn Ministries Limited**

### **Trustees' Report**

- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can 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 and Charities Act (Northern Ireland) 2008. 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Disclosure of information to auditor**

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 17 July 2024 and signed on its behalf by:



Mr Ronald Dawson  
Trustee

## **Drop Inn Ministries Limited**

### **Independent Auditor's Report to the Members of Drop Inn Ministries Limited**

#### **Opinion**

We have audited the financial statements of Drop Inn Ministries Limited (the 'charity') for the year ended 30 September 2023, which comprise the Statement of Financial Activities, Balance Sheet, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 annual report, other than the financial statements and our auditor's report thereon. 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.

## **Drop Inn Ministries Limited**

### **Independent Auditor's Report to the Members of Drop Inn Ministries Limited**

#### **Opinion on other matter 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

#### **Responsibilities of trustees**

As explained more fully in the Statement of trustees' responsibilities (set out on page 3 and 4), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

## Drop Inn Ministries Limited

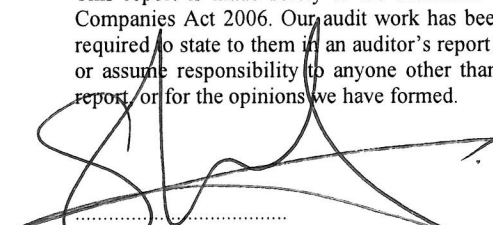
### Independent Auditor's Report to the Members of Drop Inn Ministries Limited

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedure responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieve fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that control identify during our audit.

#### Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

  
.....  
Mr Stephen McGeagh (Senior Statutory Auditor)  
For and on behalf of David Lytle & Co Ltd, Statutory Auditor

Station House  
46 Molesworth Street  
Cookstown  
Co Tyrone  
BT80 8PA

17 July 2024

## Drop Inn Ministries Limited

### Statement of Financial Activities for the Year Ended 30 September 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	42,203	52,028	94,231
Other trading activities	4	2,518,517	-	2,518,517
Investment income	5	3,600	-	3,600
Total income		<u>2,564,320</u>	<u>52,028</u>	<u>2,616,348</u>
<b>Expenditure on:</b>				
Raising funds	6	(1,957,928)	(15)	(1,957,943)
Charitable activities	7	(441,917)	(37,032)	(478,949)
Total expenditure		<u>(2,399,845)</u>	<u>(37,047)</u>	<u>(2,436,892)</u>
Net income		<u>164,475</u>	<u>14,981</u>	<u>179,456</u>
Net movement in funds		164,475	14,981	179,456
<b>Reconciliation of funds</b>				
Total funds brought forward		798,890	65,061	863,951
Total funds carried forward	22	<u>963,365</u>	<u>80,042</u>	<u>1,043,407</u>
	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	56,329	95,049	151,378
Other trading activities	4	2,129,532	-	2,129,532
Total income		<u>2,185,861</u>	<u>95,049</u>	<u>2,280,910</u>
<b>Expenditure on:</b>				
Raising funds	6	(1,710,337)	(215)	(1,710,552)
Charitable activities	7	(336,762)	(49,645)	(386,407)
Total expenditure		<u>(2,047,099)</u>	<u>(49,860)</u>	<u>(2,096,959)</u>
Net income		<u>138,762</u>	<u>45,189</u>	<u>183,951</u>
Net movement in funds		138,762	45,189	183,951
<b>Reconciliation of funds</b>				
Total funds brought forward		660,128	19,872	680,000
Total funds carried forward	22	<u>798,890</u>	<u>65,061</u>	<u>863,951</u>

All of the charity's activities derive from continuing operations during the above two periods.

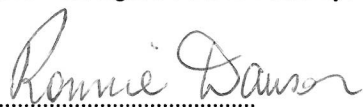
The funds breakdown for 2022 is shown in note 22.

The notes on pages 11 to 21 form an integral part of these financial statements.

**Drop Inn Ministries Limited**  
**(Registration number: NI649755)**  
**Balance Sheet as at 30 September 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	15	556,788	478,661
Investments	16	<u>106,041</u>	<u>-</u>
		<u>662,829</u>	<u>478,661</u>
<b>Current assets</b>			
Debtors	17	10,879	39,046
Cash at bank and in hand	18	<u>627,109</u>	<u>617,377</u>
		637,988	656,423
<b>Creditors: Amounts falling due within one year</b>	19	<u>(79,851)</u>	<u>(85,485)</u>
<b>Net current assets</b>		<u>558,137</u>	<u>570,938</u>
<b>Total assets less current liabilities</b>		1,220,966	1,049,599
<b>Creditors: Amounts falling due after more than one year</b>	20	<u>(177,559)</u>	<u>(185,648)</u>
<b>Net assets</b>		<u>1,043,407</u>	<u>863,951</u>
<b>Funds of the charity:</b>			
<b>Restricted income funds</b>			
Restricted funds		80,042	65,061
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>963,365</u>	<u>798,890</u>
<b>Total funds</b>	22	<u>1,043,407</u>	<u>863,951</u>

The financial statements on pages 8 to 21 were approved by the trustees, and authorised for issue on 17 July 2024 and signed on their behalf by:



.....  
Mr Ronald Dawson  
Trustee

The notes on pages 11 to 21 form an integral part of these financial statements.

## Drop Inn Ministries Limited

### Statement of Cash Flows for the Year Ended 30 September 2023

	Note	2023 £	2022 £
<b>Cash flows from operating activities</b>			
Net cash income		179,456	183,951
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation	6	31,365	28,790
Investment income	5	<u>(3,600)</u>	<u>-</u>
		207,221	212,741
<b>Working capital adjustments</b>			
Decrease in debtors	17	28,167	15,804
Decrease in creditors	19	<u>(5,634)</u>	<u>(8,737)</u>
Net cash flows from operating activities		<u>229,754</u>	<u>219,808</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	3,598	-
Purchase of tangible fixed assets	15	(109,492)	(66,470)
Purchase of investments	16	<u>(106,041)</u>	<u>-</u>
Net cash flows from investing activities		(211,935)	(66,470)
<b>Cash flows from financing activities</b>			
Repayment of loans and borrowings	19	<u>(8,089)</u>	<u>(14,097)</u>
Net increase in cash and cash equivalents		9,730	139,241
Cash and cash equivalents at 1 October		<u>617,376</u>	<u>478,135</u>
Cash and cash equivalents at 30 September		<u><u>627,106</u></u>	<u><u>617,376</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 11 to 21 form an integral part of these financial statements.

## **Drop Inn Ministries Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2023**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in Northern Ireland, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

123 Keady Road  
Armagh  
Co Armagh  
BT60 3AD

These financial statements were authorised for issue by the trustees on 17 July 2024.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### **Basis of preparation**

Drop Inn Ministries Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Income and endowments**

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

##### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2023

#### *Grants receivable*

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### *Raising funds*

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### *Charitable activities*

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**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

#### **Government grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £250.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2023

<b>Asset class</b>	<b>Depreciation method and rate</b>
Freehold buildings	4 % straight line
Plant and machinery	25% reducing balance
Fixtures and fittings	10% reducing balance
Motor vehicles	20% straight line

#### **Investment properties**

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Borrowings**

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### **Foreign exchange**

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2023

#### Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### Financial instruments

##### Classification

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### 3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total funds £
Donations and legacies;			
Gifts and church tythes	42,203	-	42,203
Gifts received for Humanitarian aid	-	52,028	52,028
<b>Total for 2023</b>	42,203	52,028	94,231
<b>Total for 2022</b>	56,329	95,049	151,378

#### 4 Income from other trading activities

	Unrestricted funds General £	Total funds £
Trading income;		
Shop income from sale of donated goods and services	2,508,877	2,508,877
Hire of Ballyards	9,640	9,640
<b>Total for 2023</b>	2,518,517	2,518,517
<b>Total for 2022</b>	2,129,532	2,129,532

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2023

#### 5 Investment income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Income from rents	3,600	3,600
<b>Total for 2023</b>	<b>3,600</b>	<b>3,600</b>

#### 6 Expenditure on raising funds

##### a) Costs of trading activities

	Note	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Depreciation, amortisation and other similar costs		31,365	-	31,365
Other direct costs of activities for generating funds		608,759	15	608,774
<b>Total for 2023</b>		<b>640,124</b>	<b>15</b>	<b>640,139</b>
<b>Total for 2022</b>		<b>612,558</b>	<b>215</b>	<b>612,773</b>

#### 7 Expenditure on charitable activities

	<b>Activity support costs £</b>	<b>2023 £</b>
Mission expenses	468,223	468,223
	<b>Activity support costs £</b>	<b>2022 £</b>
Mission expenses	376,012	376,012

In addition to the expenditure analysed above, there are also governance costs of £10,726 (2022 - £10,395) which relate directly to charitable activities. See note 8 for further details.

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2023

#### 8 Analysis of governance and support costs

##### Governance costs

	<b>Unrestricted funds General £</b>	<b>Total 2023 £</b>
Audit fees		
Audit of the financial statements	2,330	2,330
Independent examiner fees		
Preparation of annual accounts	4,045	4,045
Legal fees	4,351	4,351
	10,726	10,726

	<b>Unrestricted funds General £</b>	<b>Total 2022 £</b>
Audit fees		
Audit of the financial statements	2,540	2,540
Independent examiner fees		
Other fees paid to examiners	4,410	4,410
Legal fees	3,445	3,445
	10,395	10,395

#### 9 Net incoming/outgoing resources

Net incoming resources for the year include:

	<b>2023 £</b>	<b>2022 £</b>
Audit fees	2,330	2,540
Depreciation of fixed assets	31,365	28,790
	31,365	28,790

#### 10 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

##### **Mr Ronald Dawson**

Mr Ronald Dawson received remuneration of £45,892 (2022: £44,014) during the year.

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2023

#### 11 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
<b>Staff costs during the year were:</b>		
Wages and salaries	1,228,342	1,025,495
Social security costs	74,595	59,167
Pension costs	14,815	12,916
Other staff costs	52	201
	<u>1,317,804</u>	<u>1,097,779</u>

No employee received emoluments of more than £60,000 during the year.

#### 12 Independent examiner's remuneration

	2023 £	2022 £
<b>Other fees to examiners</b>		
Preparation of annual accounts	<u>4,045</u>	<u>4,410</u>

#### 13 Auditors' remuneration

	2023 £	2022 £
Audit of the financial statements	<u>2,330</u>	<u>2,540</u>

#### 14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2023

#### 15 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 October 2022	425,085	84,393	25,307	534,785
Additions	82,733	7,764	18,995	109,492
At 30 September 2023	507,818	92,157	44,302	644,277
<b>Depreciation</b>				
At 1 October 2022	21,352	26,039	8,733	56,124
Charge for the year	17,003	6,729	7,633	31,365
At 30 September 2023	38,355	32,768	16,366	87,489
<b>Net book value</b>				
At 30 September 2023	469,463	59,389	27,936	556,788
At 30 September 2022	403,733	58,354	16,574	478,661

#### 16 Fixed asset investments

	<b>2023</b> <b>£</b> <u>106,041</u>
<b>Investment properties</b>	
<b>Investment properties</b>	
	<b>Investment properties</b> <b>£</b>
<b>Cost or Valuation</b>	
Additions	106,041
<b>Provision</b>	
At 30 September 2023	-
<b>Net book value</b>	
At 30 September 2023	106,041

The investment property was purchased during the financial year. The property was valued on 30th September 2023 by the directors who are internal to the company. The basis for this valuation was fair value. The directors do not believe that there is a material difference between the current market value and the initial purchase price of the property. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2023

#### 17 Debtors

	2023 £	2022 £
Prepayments	9,494	26,939
VAT recoverable	-	11,239
Other debtors	1,385	868
	10,879	39,046

#### 18 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	10,543	24,024
Cash at bank	616,563	593,352
	627,106	617,376

#### 19 Creditors: amounts falling due within one year

	2023 £	2022 £
Bank loans	23,640	23,640
Trade creditors	13,943	6,038
Other taxation and social security	17,671	11,433
VAT creditor	1,702	-
Other creditors	3,322	2,215
Accruals	19,573	42,159
	79,851	85,485

Creditors due within one year includes the following liabilities, on which security has been given by the charity:

	2023 £	2022 £
Bank Loan	23,640	23,640

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2023

#### 20 Creditors: amounts falling due after one year

	2023 £	2022 £
Bank loans	<u>177,559</u>	<u>185,648</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the charity:

	2023 £	2022 £
Bank Loan	<u>177,559</u>	<u>185,648</u>

The bank loan liability relates to a legal mortgage and commercial all monies charge over property at 71 - 79 Armagh Road, Portadown.

#### 21 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £14,815 (2022 - £12,916).

#### 22 Funds

	Balance at 1 October 2022 £	Incoming resources £	Resources expended £	Balance at 30 September 2023 £
<b>Unrestricted funds</b>				
General	798,890	2,564,320	(2,399,845)	963,365
<b>Restricted funds</b>	<u>65,061</u>	<u>52,028</u>	<u>(37,047)</u>	<u>80,042</u>
<b>Total funds</b>	<u>863,951</u>	<u>2,616,348</u>	<u>(2,436,892)</u>	<u>1,043,407</u>
	<b>Balance at 1 October 2021 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Balance at 30 September 2022 £</b>
<b>Unrestricted funds</b>				
General	660,128	2,185,861	(2,047,099)	798,890
<b>Restricted funds</b>	<u>19,872</u>	<u>95,049</u>	<u>(49,860)</u>	<u>65,061</u>
<b>Total funds</b>	<u>680,000</u>	<u>2,280,910</u>	<u>(2,096,959)</u>	<u>863,951</u>

## Drop Inn Ministries Limited

### Notes to the Financial Statements for the Year Ended 30 September 2023

#### 23 Analysis of net assets between funds

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 30 September 2023 £</b>
Tangible fixed assets	556,788	-	556,788
Current assets	557,359	80,241	637,600
Current liabilities	(78,149)	-	(78,149)
Creditors over 1 year	(177,559)	-	(177,559)
<b>Total net assets</b>	<b>858,439</b>	<b>80,241</b>	<b>938,680</b>
	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds at 30 September 2022 £</b>
Tangible fixed assets	478,661	-	478,661
Current assets	591,161	65,261	656,422
Current liabilities	(85,485)	-	(85,485)
Creditors over 1 year	(185,648)	-	(185,648)
<b>Total net assets</b>	<b>798,689</b>	<b>65,261</b>	<b>863,950</b>

#### 24 Analysis of net funds

	<b>At 1 October 2022 £</b>	<b>At 30 September 2023 £</b>
Cash at bank and in hand	617,376	617,376
Net debt	617,376	617,376
	<b>At 1 October 2021 £</b>	<b>At 30 September 2022 £</b>
Cash at bank and in hand	478,135	478,135
Net debt	478,135	478,135

**Drop Inn Ministries Ltd.**

Northern Ireland - Charity number 108029

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# Annual report

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## **Drop Inn Ministries Limited**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 30 September 2023.

#### **Objectives and activities**

##### *Objects and aims*

The company's objects are:

- To advance the Christian religion for the benefit of the public in the area of benefit
- Associating together the said inhabitants and the local authorities voluntary and other organisations in the area of benefit in a common effort to relieve poverty and advance education and to provide facilities in the interests of welfare with the object of improving the conditions of life for the said inhabitants

##### *Public benefit*

The principal activities of the charity are to equip and mobilise people for mission and to bring hope, help and healing to the hurting world through the operation of various humanitarian projects. The projects are financed through surplus funds generated by the operation of numerous charity shops, various donations, sponsorship and fundraising activities.

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

#### **Trustees and officers**

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Mr Neville Gartland
	Mr Ronald Dawson
	Mr Thomas Stewart
	Mr Michael Rollo

Secretary:	Mr Thomas Stewart
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#### **Structure, governance and management**

##### *Nature of governing document*

The charity is registered with the Charities Commission for Northern Ireland (Registered Number 101694). The company is controlled by its trustees who are directors of the company for the purposes of the Companies Act 2006 and is governed by the provisions contained in the Memorandum and Articles of Association.

All trustees are members and directors of the Charitable Company and stand as guarantors of the charitable company in the sum of £ 10 each.

#### **Headquarters- Ballyards Castle**

Ballyards Castle is the head office of all Drop Inn Projects.

The facilities at Ballyards allows the charity to host prayer events, retreats, Christian conferences and visits from missions team and project partners from various nations. During the time period of this financial year we began to see the usage of Castle continued to develop, following on a lull after the COVID period.

# Drop Inn Ministries Limited

## Trustees' Report

### Finances

During this financial year we have seen a steady, and at times strong financial performance in our charity shops, with the development of some new stores, including outlet stores that sell off stock at reduced cost.

With a steady, and at times growing income base we have been able to maintain and grow our support to locally as well as internationally in 30 different nations as well as to continue with capital acquisition to aid the long-term stability of our income base.

The charity endeavours to keep a prudent amount in reserve for cash flow purposes but most funds are spent in the short term.

### International Missions

During the year, members of the board and senior leadership team have been able to visit international partners, review project work and provide increased leadership support to projects. These visits are a great source of engagements to our international partners. Short-term mission experiences often lead to increased prayer support for Drop Inn as well as an increase in Child Sponsorships and giving to the various projects people visit.

A continued aspect of international support this year, has been increased support to project partners in Ukraine, helping them address the humanitarian crisis that has taken place as a result of the war.

### Local Missions

Local Outreach Ministries – Our team continues, as appropriate, to visit local people in need and offer practical support. This helps to connect disenfranchised people with other organizations such as foodbanks, social workers etc. This serves to provide a service to bring immediate need as well as continuation of support to facilitate positive outcomes within our local community. In addition we have been able to partner with the Southern Trust to offer support to unaccompanied minors arriving in Northern Ireland from nations where their lives would have been at risk.

Drop Inn partners with Grace Community Church in Richhill, to operate a youth outreach in 'The Living Room' as well as a Drop Inn Centre for youth on Wednesday nights. Different staff and volunteers offer a safe place for local youth to connect to positive resources and mentors.

Three of our main focuses locally consist of: Aspire NI, Madlug, and Hope Mission.

### Statement of trustees' responsibilities

The trustees (who are also the directors of Drop Inn Ministries Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

## Drop Inn Ministries Limited

### Trustees' Report

- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can 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 and Charities Act (Northern Ireland) 2008. 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### **Disclosure of information to auditor**

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 17 July 2024 and signed on its behalf by:



Mr Ronald Dawson  
Trustee

**Drop Inn Ministries Ltd.**

Northern Ireland - Charity number 108029

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# Annual return

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## **Drop Inn Ministries Limited**

### **Independent Auditor's Report to the Members of Drop Inn Ministries Limited**

#### **Opinion**

We have audited the financial statements of Drop Inn Ministries Limited (the 'charity') for the year ended 30 September 2023, which comprise the Statement of Financial Activities, Balance Sheet, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 September 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 annual report, other than the financial statements and our auditor's report thereon. 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.

## **Drop Inn Ministries Limited**

### **Independent Auditor's Report to the Members of Drop Inn Ministries Limited**

#### **Opinion on other matter 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

#### **Responsibilities of trustees**

As explained more fully in the Statement of trustees' responsibilities (set out on page 3 and 4), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

#### **Auditor 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

## Drop Inn Ministries Limited

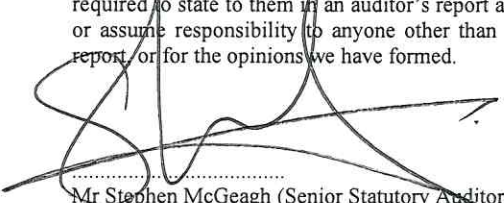
### Independent Auditor's Report to the Members of Drop Inn Ministries Limited

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedure responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieve fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that control identify during our audit.

#### Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



.....  
Mr Stephen McGeagh (Senior Statutory Auditor)  
For and on behalf of David Lyttle & Co Ltd, Statutory Auditor

Station House  
46 Molesworth Street  
Cookstown  
Co Tyrone  
BT80 8PA

17 July 2024

**Drop Inn Ministries Ltd.**

Northern Ireland - Charity number 108029

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# Accounts

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Company registration number: NI649755

Charity registration number: 108029

**Drop Inn Ministries Limited**  
(A company limited by guarantee)  
**Annual Report and Financial Statements**  
**Year Ended 30 September 2022**

Drop Inn Ministries Limited

Annual Report and Financial Statements

Year Ended 30 September 2022

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**Drop Inn Ministries Limited**

**Charity Reference and Administrative Details**

**Year Ended 30 September 2022**

<b>Charity registration number</b>	101694
<b>Directors and Trustees</b>	Mr Ronald Dawson Mr Neville Garland Mr Thomas Stewart
<b>Secretary</b>	Mr Thomas Stewart
<b>Registered office</b>	123 Keady Road Armagh BT60 3AD
<b>Auditor</b>	Barry Thompson and Company 76-78 Church Street Portadown BT62 3EU
<b>Accountants</b>	Thomas Oliver & Co 1 Moygashel Mills Park Dungannon BT71 7DH

## Drop Inn Ministries Limited

### Trustees' Annual Report (Including Directors Report)

#### Year Ended 30 September 2022

The Trustees and Directors present their report and the audited financial statements of Drop Inn Ministries Limited for the year ended 30 September 2022. The Trustees and Directors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity and company.

#### Trustees of the charity

The trustees who have served during the year were as follows:-

Mr Ronald Dawson  
Mr Neville Garland  
Mr Thomas Stewart

The trustees meet quarterly to discuss the board strategy, the 'day to day' administration is delegated to the director and the staff leadership team.

#### Structure, governance and management

The Charity's Trustees formed Drop Inn Ministries Limited which was incorporated as a company limited by guarantee on 11 December 2017. The charity continued in its previous format until 1 October 2019 when it transferred activities and assets to the Company.

The charity is registered with The Charities Commission for Northern Ireland (Registered number 101694). The company is controlled by its trustees who are directors of the company for the purposes of the Companies Act 2006 and is governed by the provisions contained in the Memorandum and Articles of Association.

All trustees are members and directors of the Charitable Company and stand as guarantors of the charitable company in the sum of £10 each.

There are currently 4 trustees and directors of the charity and company.

#### Objectives and Activities

The company's objects are:

- To advance the Christian religion for the benefit of the public in the area of benefit.
- Associating together the said inhabitants and the local authorities voluntary and other organisations in the area of benefit in a common effort to relieve poverty and advance education and to provide facilities in the interests of welfare with the object of improving the conditions of life for the said inhabitants.

The principal activities of the charity are to equip and mobilise people for mission, and to bring hope, help and healing to the hurting world through the operation of various humanitarian projects. The projects are financed through surplus funds generated by the operation of numerous charity shops, various donations, sponsorship, and fundraising activities.

## **Drop Inn Ministries Limited**

### **Trustees' Annual Report (Including Directors Report) continued**

**Year Ended 30 September 2022**

#### **Headquarters - Ballyards Castle**

Ballyards Castle is the head office of all Drop Inn Projects.

The facilities at Ballyards allows the charity to host prayer events, retreats, Christian conferences and visits from mission teams and project partners from various nations. During the time period of this financial year we began to see the usage of Castle begin to grow again, following on from the relaxing of Covid-19 restrictions.

#### **Finances**

During this financial year we have saw a steady, and at times strong financial performance in our charity shops, with the development of some new concept stores. This has allowed us to stabilise operations following the Covid-19 period.

With a steady, and at times growing income base we have been able to maintain and grow our support locally as well as internationally in 30 different nations as well as to consider appropriate capital acquisition to aid long-term stability of our income base.

The charity endeavours to keep a prudent amount in reserve for cash flow purposes but most funds are spent in the short term.

#### **International Missions**

During the year, post Covid-19 restrictions we have been able to visit international partners, review project work and provide increased leadership support to projects. These visits are a great source of encouragement to our international partners. Short-term mission experiences often lead to increased prayer support for Drop Inn as well as an increase in Child Sponsorships and giving to the various projects people visit.

One additional aspect of international support this year, since February 2022, has been increased support to project partners in Ukraine, helping them address the humanitarian crisis that has taken place as a result of the war.

#### **Local Missions**

Local Outreach Ministries – Our team and our interns have visited local people in need to offer physical help such as yard work, cleaning, help with finances and support for addictions. This helps to connect disenfranchised people with other organisations such as foodbanks, social workers, etc. This serves to provide a service to bring immediate need as well as continuation of support to facilitate positive outcomes within our local community.

Drop Inn partners with Grace Community Church in Richhill, to operate a youth outreach in 'The Living Room' as well as a Drop Inn Centre for Youth on Wednesday nights. Different staff and volunteers offer a safe place for local youth to connect to positive resources and mentors.

Three of our main focuses locally consist of: Aspire NI, Madlug and Hope Mission.

#### **Other Information**

Drop Inn Ministries transferred to a company limited by guarantee under the name of Drop Inn Ministries Limited on 1 October 2019. Assets and liabilities were transferred to the company at book value on 1 October 2019, excluding the church which was transferred to another charitable company.

The church was also transferred on 1 October 2019 to a company limited by guarantee under the name of Grace Community Church (Ireland) Limited.

**Trustees' Annual Report (Including Directors Report) continued**

Year Ended 30 September 2022

**Trustees' responsibilities**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to the auditors**

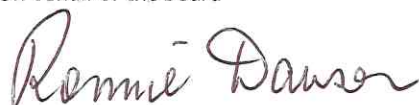
We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



**Mr Ronald Dawson (Trustee and director)**

20 June 2023

## Drop Inn Ministries Limited

Year ended 30 September 2022

### Independent Auditor's Report to the trustees of Drop Inn Ministries Limited

#### Opinion

We have audited the financial statements of Drop Inn Ministries Limited (the 'charitable company') for the year ended 30 September 2022 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including 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 30 September 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## **Drop Inn Ministries Limited**

**Year ended 30 September 2022**

### **Independent Auditor's Report to the trustees of Drop Inn Ministries Limited (continued)**

#### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the directors' report) 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 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 5, 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.

## Drop Inn Ministries Limited

Year ended 30 September 2022

### Independent Auditor's Report to the trustees of Drop Inn Ministries Limited (continued)

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:

- 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that control identify during our audit.

Drop Inn Ministries Limited

Year ended 30 September 2022

Independent Auditor's Report to the trustees of Drop Inn Ministries Limited (continued)

**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



Barry Thompson (Senior statutory auditor)  
for and on behalf of Barry Thompson and Company  
Chartered Accountants and Statutory Auditors  
76-78 Church Street  
Portadown  
Co Armagh  
BT62 3EU

20 June 2023

Drop Inn Ministries Limited

Statement of Financial Activities

Year Ended 30 September 2022

		2022			2021
	Note	Unrestricted funds £	Restricted funds £	Total £	Total £
<b>Income from:</b>					
Donations and legacies	2	56,329	95,049	151,378	852,811
Other trading activities	3	2,129,532	-	2,129,532	1,425,246
<b>Total income</b>		<b>2,185,861</b>	<b>95,049</b>	<b>2,280,910</b>	<b>2,278,057</b>
<b>Expenditure on:</b>					
Raising funds	4	1,720,734	215	1,720,949	1,582,914
Charitable activities	5	326,367	49,645	376,012	236,800
<b>Total expenditure</b>		<b>2,047,101</b>	<b>49,860</b>	<b>2,096,961</b>	<b>1,819,714</b>
<b>Net income (expenditure)</b>		<b>138,760</b>	<b>45,189</b>	<b>183,949</b>	<b>458,343</b>
<b>Net movement in funds</b>	16	<b>138,760</b>	<b>45,189</b>	<b>183,949</b>	<b>458,343</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward	16	660,125	19,872	679,997	221,654
<b>Total funds carried forward</b>	16	<b>798,885</b>	<b>65,061</b>	<b>863,946</b>	<b>679,997</b>

All income and expenditure derive from continuing activities.

Drop Inn Ministries Limited

Balance Sheet

Year Ended 30 September 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	12	478,661	440,981
<b>Current assets</b>			
Debtors	13	39,045	54,850
Cash at bank and in hand		617,376	478,135
		<u>656,421</u>	<u>532,985</u>
<b>Creditors: amounts falling due within one year</b>	14	(85,488)	(94,222)
<b>Net current assets</b>		<u>570,933</u>	<u>438,763</u>
<b>Total assets less current liabilities</b>		<u>1,049,594</u>	<u>879,744</u>
<b>Creditors: amounts falling due after one year</b>		(185,648)	(199,747)
<b>Net Assets</b>		<u>863,946</u>	<u>679,997</u>
<b>Charity Funds</b>			
Restricted funds	16	65,061	19,872
Unrestricted funds	16	798,885	660,125
<b>Total charity funds</b>	16	<u>863,946</u>	<u>679,997</u>

The financial statements were approved and authorised for issue by the Board on 20 June 2023.

Signed on behalf of the board of trustees



Mr Ronald Dawson, Trustee

The notes on pages 10 to 19 form part of these financial statements.

Drop Inn Ministries Limited

Statement of Cash Flows

Year Ended 30 September 2022

	2022 £	2021 £
Net income for the year	183,949	458,343
Adjusted for:		
Depreciation	28,790	16,272
Adjustment on assets transfer	-	-
(Increase)/decrease in debtors	15,805	4,304
Increase/(decrease) in creditors	(8,737)	(8,587)
<b>Net cash flow from operating activities</b>	<b>219,807</b>	<b>470,332</b>
<b>Cash flow from investing activities</b>		
Investment income	-	-
Payments to acquire tangible fixed assets	(66,470)	(364,765)
Sale of tangible fixed assets	-	2,975
<b>Net cash flow from investing activities</b>	<b>(66,470)</b>	<b>(361,790)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>153,337</b>	<b>108,542</b>
Cash and cash equivalents at 1 October 2021	254,750	146,208
<b>Cash and cash equivalents at 30 September 2022</b>	<b>408,087</b>	<b>254,750</b>

**1 Summary of significant accounting policies**

**(a) General information and basis of preparation**

The address of the registered office is given in the charity information on page 2 of these financial statements.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act (Northern Ireland) 2008, and UK Generally Accepted Practice as it applies from 1 January 2015 and Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy. The financial statements are presented in sterling which is the functional currency of the charity.

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

**(b) Funds**

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

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

**(c) Income recognition**

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

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

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

Notes to Financial Statements (continued)

Year Ended 30 September 2022

**(c) Income recognition (continued)**

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured.

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

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

**(d) Expenditure recognition**

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

- Costs of raising funds includes the cost of all fundraising activities, events, non-charitable trading activities and the sale of donated goods;
- Expenditure on charitable activities includes all costs incurred by the charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries; and
- Other expenditure represents those items not falling into the categories above.

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

**(e) Support costs allocation**

Support costs are those that assist the work of the charity but do not directly represent charitable activities. They are incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Notes to Financial Statements (continued)

Year Ended 30 September 2022

**(f) Tangible fixed assets**

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

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

Freehold buildings	4% straight line
Plant and machinery	25% reducing balance
Fixtures and fittings	10% reducing balance
Motor vehicles	20% straight line

Land and buildings were valued using cost basis.

**(g) Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one Period are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**(h) Provisions**

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

**(i) Leases**

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

**(j) Foreign currency**

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

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

**(k) Employee benefits**

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable

**(l) Financial instruments**

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Drop Inn Ministries Limited

Notes to Financial Statements (continued)

Year Ended 30 September 2022

(m) Tax

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

(n) Going concern

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

2 Income from donations and legacies

	Unrestricted £	Restricted £	2022 £	2021 £
Gifts and church tythes	64,271	-	64,271	40,045
Gifts received for Humanitarian aid	-	95,049	95,049	53,994
Government grants	(7,942)	-	(7,942)	758,772
	<u>56,329</u>	<u>95,049</u>	<u>151,378</u>	<u>852,811</u>

Income from donations and legacies was £151,378 in the year of which, £95,049 was attributable to restricted and £56,329 was attributable to unrestricted funds.

3 Income from other trading activities

	Unrestricted £	Restricted £	2022 £	2021 £
Thrift shop income (donated goods)	2,121,482	-	2,121,482	1,420,886
Hire of Ballyards	8,050	-	8,050	4,360
	<u>2,129,532</u>	<u>-</u>	<u>2,129,532</u>	<u>1,425,246</u>

Income from other trading activities was £2,129,532 in the year of which £nil was attributable to restricted and £2,129,532 was attributable to unrestricted funds.

Drop Inn Ministries Limited

Notes to Financial Statements (continued)

Year Ended 30 September 2022

4 Analysis of expenditure on raising funds

	Unrestricted £	Restricted £	2022 £	2021 £
Coffee shop purchases	-	-	-	479
Wages and salaries	1,084,662	-	1,084,662	1,034,371
Staff Pension	12,916	-	12,916	10,481
Governance costs <sup>note 6</sup>	10,395	-	10,395	9,736
Support costs allocated to activities <sup>note 7</sup>	612,761	215	612,976	527,847
	<u>1,720,734</u>	<u>215</u>	<u>1,720,949</u>	<u>1,582,914</u>

Of the expenditure of £1,720,949 in the year £215 was attributable to restricted funds and £1,720,734 was attributable to unrestricted funds.

5 Analysis of expenditure on charitable activities

	Unrestricted £	Restricted £	2022 £	2021 £
Mission expenses	326,367	49,645	376,012	227,064
Support costs allocated to activities <sup>note 6</sup>	-	-	-	9,736
	<u>326,367</u>	<u>49,645</u>	<u>376,012</u>	<u>236,800</u>

Expenditure on charitable activities was £376,012 during the year of which £49,645 was attributable to restricted and £326,367 was attributable to unrestricted funds.

6 Analysis of governance costs

	Unrestricted £	Restricted £	2022 £	2021 £
Legal and professional fees	3,445	-	3,445	5,561
Consultancy fees	-	-	-	-
Audit and Accountancy	6,950	-	6,950	4,175
	<u>10,395</u>	<u>-</u>	<u>10,395</u>	<u>9,736</u>

Of the expenditure of £10,395 in the year all were attributable to unrestricted funds.

Drop Inn Ministries Limited

Notes to Financial Statements (continued)

Year Ended 30 September 2022

**7 Allocation of support costs**

Support cost – Raising funds

	2022	2021
	£	£
Premises costs	421,156	416,613
Repairs and maintenance	72,636	26,665
Motor and travel	28,780	18,000
Depreciation	28,790	16,272
Profit on disposal	-	-
Office costs (incl. rental)	23,037	21,374
Finance	32,564	20,802
Other	6,013	8,121
Total	<u>612,976</u>	<u>527,847</u>

**8 Net income for the year**

Net income is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation of tangible fixed assets	28,790	16,272
Cost of stock recognised as an expense	-	479
Operating lease rentals	<u>4,875</u>	<u>3,537</u>

**9 Auditor's and Accountancy remuneration**

The auditor's remuneration amounts to an audit fee of £2,540 and accountancy services of £4,410.

**10 Trustees' remuneration and expenses**

Mr Ronald Dawson (Trustee) received a total remuneration of £44,014, including NIC, during the year.

Drop Inn Ministries Limited

Notes to Financial Statements (continued)

Year Ended 30 September 2022

11 Staff costs and employee benefits

The total staff costs and employees benefit's was as follows:

	2022 £	2021 £
Wages and salaries	1,025,495	989,599
Social security	59,167	55,137
Defined contribution pension costs	12,916	10,481
	<u>1,097,578</u>	<u>1,055,217</u>

The average number of employees during the period was 75 with more than half being part time.

No employees received total employee benefits (excluding employer pension costs) of more than £60,000.

12 Tangible fixed assets

	Land and buildings	Plant and machinery including Motor Vehicle	Fixtures and fittings	Total
	£	£	£	£
Cost:				
At 1 October 2021	359,114	37,099	72,102	468,315
Additions	65,971	-	499	66,470
Disposals	-	-	-	-
At 30 September 2022	<u>425,085</u>	<u>37,099</u>	<u>72,601</u>	<u>534,785</u>
Depreciation:				
At 1 October 2021	5,228	8,793	13,313	27,334
Charge for the year	16,124	6,758	5,908	28,790
Eliminated on disposals	-	-	-	-
At 30 September 2022	<u>21,352</u>	<u>15,551</u>	<u>19,221</u>	<u>56,124</u>
Net book value:				
At 30 September 2022	<u>403,733</u>	<u>21,548</u>	<u>53,380</u>	<u>478,661</u>
At 30 September 2021	<u>353,886</u>	<u>28,306</u>	<u>58,789</u>	<u>440,981</u>

Drop Inn Ministries Limited

Notes to Financial Statements (continued)

Year Ended 30 September 2022

13 Debtors

	2022 £	2021 £
Other debtors	868	-
Prepayments and accrued income	26,938	22,218
VAT	11,239	32,632
	<u>39,045</u>	<u>54,850</u>

14 Creditors: amounts falling due within one year

	2022 £	2021 £
Bank Loan	23,640	23,640
Trade creditors	6,038	34
Other tax and social security	11,433	10,164
Other creditors	2,218	2,814
Accruals and deferred income	42,159	57,570
	<u>85,488</u>	<u>94,222</u>

15 Creditors: amounts falling due after one year

	2022 £	2021 £
Not later than one year	185,648	199,747
	<u>185,648</u>	<u>199,747</u>

Drop Inn Ministries Limited

Notes to Financial Statements (continued)

Year Ended 30 September 2022

16 Fund reconciliation

	Transferred 1 October 2021	Income	Expenditure	Transfers	Balance at 30 September 2022
	£	£	£	£	£
<b>General Fund</b>					
Unrestricted	660,125	138,760	-	-	798,885
<b>Restricted Fund</b>					
Restricted income fund	19,872	45,189	-	-	65,061
	<u>679,997</u>	<u>183,949</u>	<u>-</u>	<u>-</u>	<u>863,946</u>

Fund descriptions

a) Unrestricted funds

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

b) Restricted funds

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose. The restricted funds relate to humanitarian aid.

17 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	2022 Total £	2021 Total £
Fixed assets	478,661	-	478,661	440,981
Current assets	632,397	24,024	656,421	532,985
Creditors less than one year	(85,488)	-	(85,488)	(94,222)
Creditors more than one year	(185,648)	-	(185,648)	(199,747)
Total	<u>839,922</u>	<u>24,024</u>	<u>863,946</u>	<u>679,997</u>

Drop Inn Ministries Limited

Notes to Financial Statements (continued)

Year Ended 30 September 2022

**18 Pensions and other post-retirement benefits**

a) Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the year was £12,916.

The defined contribution liability is allocated to unrestricted funds and in expenditure on raising funds.

**19 Related party transactions**

There are no related party transactions during the year.

**20 Financial instruments**

The carrying amounts of the charity's financial instruments are as follows:

	2022 £	2021 £
<i>Financial assets</i>		
Cash and cash equivalents	408,087	254,750
<i>Financial liabilities</i>		
Trade creditors	6,038	34

**21 COVID-19 Pandemic**

In this period of enormous uncertainty, it is extremely difficult to make future predictions, but the directors consider that the impact of Covid-19 will be a temporary disruption and will ultimately pass. Given the widespread government-led support to businesses, including certain guidance to banks, certain risks are mitigated. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future.

**Drop Inn Ministries Ltd.**

Northern Ireland - Charity number 108029

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# Annual report

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## Drop Inn Ministries Limited

### Trustees' Annual Report (Including Directors Report)

Year Ended 30 September 2022.

The Trustees and Directors present their report and the audited financial statements of Drop Inn Ministries Limited for the year ended 30 September 2022. The Trustees and Directors have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity and company.

#### Trustees of the charity

The trustees who have served during the year were as follows:-

Mr Ronald Dawson  
Mr Neville Garland  
Mr Thomas Stewart

The trustees meet quarterly to discuss the board strategy, the 'day to day' administration is delegated to the director and the staff leadership team.

#### Structure, governance and management

The Charity's Trustees formed Drop Inn Ministries Limited which was incorporated as a company limited by guarantee on 11 December 2017. The charity continued in its previous format until 1 October 2019 when it transferred activities and assets to the Company.

The charity is registered with The Charities Commission for Northern Ireland (Registered number 101694). The company is controlled by its trustees who are directors of the company for the purposes of the Companies Act 2006 and is governed by the provisions contained in the Memorandum and Articles of Association.

All trustees are members and directors of the Charitable Company and stand as guarantors of the charitable company in the sum of £10 each.

There are currently 4 trustees and directors of the charity and company.

#### Objectives and Activities

The company's objects are:

- To advance the Christian religion for the benefit of the public in the area of benefit.
- Associating together the said inhabitants and the local authorities voluntary and other organisations in the area of benefit in a common effort to relieve poverty and advance education and to provide facilities in the interests of welfare with the object of improving the conditions of life for the said inhabitants.

The principal activities of the charity are to equip and mobilise people for mission, and to bring hope, help and healing to the hurting world through the operation of various humanitarian projects. The projects are financed through surplus funds generated by the operation of numerous charity shops, various donations, sponsorship, and fundraising activities.

## **Drop Inn Ministries Limited**

### **Trustees' Annual Report (Including Directors Report) continued**

**Year Ended 30 September 2022**

#### **Headquarters - Ballyards Castle**

Ballyards Castle is the head office of all Drop Inn Projects.

The facilities at Ballyards allows the charity to host prayer events, retreats, Christian conferences and visits from mission teams and project partners from various nations. During the time period of this financial year we began to see the usage of Castle begin to grow again, following on from the relaxing of Covid-19 restrictions.

#### **Finances**

During this financial year we have saw a steady, and at times strong financial performance in our charity shops, with the development of some new concept stores. This has allowed us to stabilise operations following the Covid-19 period.

With a steady, and at times growing income base we have been able to maintain and grow our support locally as well as internationally in 30 different nations as well as to consider appropriate capital acquisition to aid long-term stability of our income base.

The charity endeavours to keep a prudent amount in reserve for cash flow purposes but most funds are spent in the short term.

#### **International Missions**

During the year, post Covid-19 restrictions we have been able to visit international partners, review project work and provide increased leadership support to projects. These visits are a great source of encouragement to our international partners. Short-term mission experiences often lead to increased prayer support for Drop Inn as well as an increase in Child Sponsorships and giving to the various projects people visit.

One additional aspect of international support this year, since February 2022, has been increased support to project partners in Ukraine, helping them address the humanitarian crisis that has taken place as a result of the war.

#### **Local Missions**

Local Outreach Ministries – Our team and our interns have visited local people in need to offer physical help such as yard work, cleaning, help with finances and support for addictions. This helps to connect disenfranchised people with other organisations such as foodbanks, social workers, etc. This serves to provide a service to bring immediate need as well as continuation of support to facilitate positive outcomes within our local community.

Drop Inn partners with Grace Community Church in Richhill, to operate a youth outreach in 'The Living Room' as well as a Drop Inn Centre for Youth on Wednesday nights. Different staff and volunteers offer a safe place for local youth to connect to positive resources and mentors.

Three of our main focuses locally consist of: Aspire NI, Madlug and Hope Mission.

#### **Other Information**

Drop Inn Ministries transferred to a company limited by guarantee under the name of Drop Inn Ministries Limited on 1 October 2019. Assets and liabilities were transferred to the company at book value on 1 October 2019, excluding the church which was transferred to another charitable company.

The church was also transferred on 1 October 2019 to a company limited by guarantee under the name of Grace Community Church (Ireland) Limited.

**Drop Inn Ministries Limited**

**Trustees' Annual Report (Including Directors Report) continued**

**Year Ended 30 September 2022**

**Trustees' responsibilities**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Disclosure of information to the auditors**

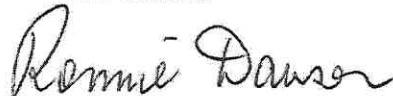
We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



**Mr Ronald Dawson (Trustee and director)**

**20 June 2023**

**Drop Inn Ministries Ltd.**

Northern Ireland - Charity number 108029

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# Annual return

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Drop Inn Ministries Limited

Year ended 30 September 2022

Independent Auditor's Report to the trustees of Drop Inn Ministries Limited

#### Opinion

We have audited the financial statements of Drop Inn Ministries Limited (the 'charitable company') for the year ended 30 September 2022 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including 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 30 September 2022, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Drop Inn Ministries Limited

Year ended 30 September 2022

### Independent Auditor's Report to the trustees of Drop Inn Ministries Limited (continued)

#### Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) 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 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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' exemption in preparing the directors' report and from the requirement to prepare a strategic report.

#### Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, 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.

Drop Inn Ministries Limited

Year ended 30 September 2022

Independent Auditor's Report to the trustees of Drop Inn Ministries Limited (continued)

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:

- 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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that control identify during our audit.

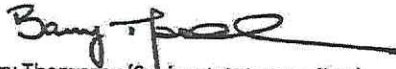
Drop Inn Ministries Limited

Year ended 30 September 2022

Independent Auditor's Report to the trustees of Drop Inn Ministries Limited (continued)

**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



Barry Thompson (Senior statutory auditor)  
for and on behalf of Barry Thompson and Company  
Chartered Accountants and Statutory Auditors  
76-78 Church Street  
Portadown  
Co Armagh  
BT62 3EU

20 June 2023