

Charity Registration No. 1118488
Company Registration No. 06070942

DREAMCHASING
(A company limited by guarantee)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 APRIL 2018



DREAMCHASING
(A company limited by guarantee)

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DREAMCHASING
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DIRECTORS AND PROFESSIONAL ADVISORS

DIRECTORS AND TRUSTEES

Mr Ronald Dennis C.B.E
Mr Clive Christopher Roger Bannister
Mr Nigel Martyn Carrington
Mrs Charlotte Hall (Appointed on 11 July 2017)
Miss Francesca Dennis (Appointed on 11 July 2017)
Mr Christian Dennis (Appointed on 11 July 2017)

PRINCIPAL OFFICE

Kings Bourne
Pinewood Road
Virginia Water
Surrey
GU25 4PA

REGISTERED OFFICE

16 Great Queen Street
Covent Garden
London WC2B 5AH

BANKERS

HSBC Private Bank (UK) Limited
78 St James's Street
London, SW1A 1JB

Close Brothers Treasury
4th Floor
10 Crown Place
London EC2A 4FT

PROPERTY MANAGING AGENTS

Aston Rose Chartered Surveyors
St Albans House
57/59 Haymarket
London, SW1Y 4QX

SOLICITORS

Withers LLP
16 Old Bailey
London EC4M 7EG

STATUTORY AUDITOR

Blick Rothenberg Audit LLP
16 Great Queen Street
Covent Garden
London WC2B 5AH

DREAMCHASING

(A company limited by guarantee)

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2018

The trustees (who are also directors of the charity for the purposes of company law) present their annual report together with the financial statements of the charity for the year ended 30 April 2018. The trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Since the charity qualifies as small under section 383 of the Companies Act 2006, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Reference and administrative information

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

The directors in office during the period and at the date of this report, together with the charity's principal address and advisers, are as set out on page 1.

Structure, governance and management

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

The current directors have power to appoint new directors, subject to a maximum number of seven. Where there is a requirement for additional or new directors, these would be identified by the remaining directors. New directors are appointed under a Deed signed and approved by the current directors.

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

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

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

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

Objectives and activities for the benefit of the public

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

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

The directors receive applications for donations from a wide variety of charitable institutions and individuals including those engaged in medical and ancillary services (including medical research), education, helping the disabled and old aged, relieving poverty, providing sheltered accommodation, developing the arts etc. The directors consider all requests which they receive and make such donations as they feel appropriate.

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

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DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2018

Achievements and performance

Dreamchasing is a charity which was formed and funded by Ron Dennis in 2007 to help young people to achieve their aspirations and, through their successes, to become inspirational role models for others. The directors provide guidance and funding for educational and entrepreneurial proposals for young people who could not otherwise achieve their dreams. Charitable donations made to date totalling £2,012,954 have taken the form of grants for education, research or vocational training (normally in the fields of art, music, science or technology) or for broader humanitarian purposes. Where possible, Dreamchasing seeks to leverage grants by encouraging matched funding for its contributions.

Dreamchasing's beneficiaries

During the year ended 30 April 2018, Dreamchasing supported the following initiatives:

Fida International – sponsorship programme in Ethiopia, Uganda and Burundi

The charity entered into a further three year commitment, with Fida International, to support their sponsorship programme which assists families in Ethiopia, Uganda and Burundi out of poverty. All of the families in the programme are poor and host one or more orphans. The project helps with these families' housing, living and medical costs, school fees, uniforms, health education and adult literacy skills and in preparing the beneficiaries for involvement in different income generating activities. The amount of the commitment is €72,000, of which €24,000 was paid in the year ended 30 April 2018 with €24,000 being payable in each of the years ending 30 April 2019 and 30 April 2020.

Lyra in Africa

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

Action for Happiness

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

In the year ended 30 April 2017, the charity entered into a three year commitment to The Young Foundation/Action for Happiness. The amount of the commitment is £60,000, of which £20,000 was paid in each of the years ended 30 April 2017 and 30 April 2018 with £20,000 being payable in the year ending 30 April 2019. The grants will be put towards Action for Happiness's 'Exploring What Matters' programme supporting the roll-out of volunteer-led 8-week courses in local communities around the UK.

Since its inception, Dreamchasing has supported the following initiatives:

Starlight

Dreamchasing has supported the Starlight Children's Foundation, a charity which brightens the lives of seriously and terminally ill children by granting their wishes.

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DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2018

Humanitarian and education programmes in Uganda and Ethiopia

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

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

Bethlehem Family Project, Debre Zeit, Ethiopia

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

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

Emergency Relief Aid and Livelihood Promotion to Refugee, CAAF and Other Vulnerable Groups, Uganda

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

J M Herbert Pardo

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

Supporting vulnerable children in the UK

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

Supporting exceptional young people to realise their dreams

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

- Funding amounting to £30,000 was given to a textile designer who graduated from Chelsea College of Art in 2010, for a studio and resources to enable her to dedicate herself to developing her design skills.
- A grant of £12,000 was made to a South African student, to undertake art and design foundation studies at Central Saint Martin's College of Arts and Design.
- A grant of £10,000 was given to a British clay target shooter who took the gold medal for England at the Commonwealth Games in Delhi, to enable him to train for the 2012 Olympics.
- A gifted music student, who was awarded a much sought after place at the Royal Academy of Music to study a Masters Degree, was awarded a grant of £5,000.
- A talented musician who needed financial support to enable her to attend the Institute of Contemporary Music was awarded a grant of £5,000.

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DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2018

Other charities supported

Dreamchasing has made donations to the following organisations:

- Pay It Forward – a foundation aimed at creating a positive 'ripple effect' through acts of kindness and asking the beneficiary of a good deed to repay it forward instead of to the original benefactor.
- Starlight Children's Foundation – grants wishes of a lifetime to seriously and terminally ill children and entertains over 500,000 children with fun and laughter in every hospital and hospice throughout the UK.
- Disability Rights International – promotes the human rights and full participation in society of people with disabilities worldwide.

Financial review

Income amounted to £316,024 (2017: £335,631), being investment income of £227,264 (2017: £226,205), donated services of £88,760 (2017: £89,200) and donations of £Nil (2017: £20,226). After governance costs, support costs and other resources expended, the charity made donations of £172,667 (2017: £169,200). The charity recognised a property revaluation gain of £196,023 (2017: loss £35,387). The charity recognised a net increase in funds of £316,384 (2017: £107,179). At 30 April 2018, the charity had net funds of £9,225,707 (2017: £8,909,323).

Investment policy and reserves

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

It is the policy of the charity to maintain free reserves, at a level to provide sufficient funds to cover management, administration costs and donations. Any balances in excess of this are considered to be available for investment. The directors consider an amount of £100,000 should be set as free reserves. Free reserves, being those funds not tied up in fixed assets, amount to £1,746,790 (2017: £1,629,323). The trustees will continue to take steps to identify projects so that the reserves can be reduced to a lower level over the short to medium term.

Future developments

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

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DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2018

Directors' responsibilities

The trustees (who are also directors of Dreamchasing 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).

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 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 of the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent; and
- 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

Blick Rothenberg Audit LLP has been appointed auditor to the charity and has expressed its willingness to continue in office.

In preparing this report, the trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

Approved by the directors and signed on their behalf by



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Ronald Dennis C.B.E

Date 23 January 2019

DREAMCHASING

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DREAMCHASING FOR THE YEAR ENDED 30 APRIL 2018

Opinion

We have audited the financial statements of Dreamchasing for the year ended 30 April 2018 which comprise the balance sheet as at 30 April 2018, the statement of financial activities incorporating income and expenditure account for the year then ended and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, 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'.

This report is made solely to the charity'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 charity'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 charity and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 April 2018 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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS
OF DREAMCHASING FOR THE YEAR ENDED 30 APRIL 2018**

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.

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, which includes the directors' report prepared for the purposes of company law, for the financial year, for which the financial statements are prepared is consistent with the financial statements.
- 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 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 directors' report included within the trustees' 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 not made; or
- we have not received all the information and explanations we require for our audit;

the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
OF DREAMCHASING FOR THE YEAR ENDED 30 APRIL 2018**

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also the directors of the charity 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 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.

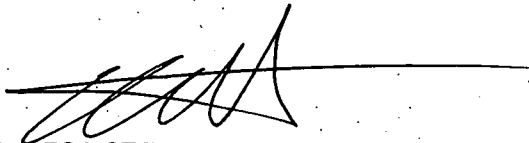
Auditor's responsibilities for the audit of the financial statements

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. The description forms part of our auditor's report.

Use of our report

This report is made solely to the 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 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Mark Hart FCA CTA (senior statutory auditor)

for and on behalf of

Blick Rothenberg Audit LLP

Statutory Auditor

16 Great Queen Street

Covent Garden

London

WC2B 5AH

Date 24 January 2019

DREAMCHASING
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 APRIL 2018

	Note	Unrestricted Fund 2018 £	Unrestricted Fund 2017 £
INCOME AND EXPENDITURE			
Income and endowments from:			
Donations and legacies	2	88,760	109,426
Investment income	3	227,264	226,205
Total incoming resources		316,024	335,631
Expenditure from:			
Charitable activities	4	(195,663)	(193,065)
Total outgoing resources		(195,663)	(193,065)
Gain/(loss) on revaluation of investment property	9	196,023	(35,387)
Net movement in funds		316,384	107,179
Reconciliation of funds			
Fund balances at 1 May 2017		8,909,323	8,802,144
Fund balances at 30 April 2018	Page 11	9,225,707	8,909,323

The notes on pages 12 to 18 form part of these financial statements.

Operating activities

All incoming resources and resources expended derive from continuing operating activities.

Statement of recognised gains and losses

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

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BALANCE SHEET AS AT 30 APRIL 2018

	Note	2018		2017	
		£	£	£	£
Fixed assets					
Investment property	9		7,500,000		7,300,000
Current assets					
Debtors	10	138,449		127,649	
Cash at bank		1,721,883		1,578,411	
		<u>1,860,332</u>		<u>1,706,060</u>	
Creditors: amounts falling due within one year	11	<u>(113,542)</u>		<u>(76,737)</u>	
Net current assets			<u>1,746,790</u>		<u>1,629,323</u>
Total assets less current liabilities			<u>9,246,790</u>		<u>8,929,323</u>
Creditors: amounts falling after one year	12		<u>(21,083)</u>		<u>(20,000)</u>
Net assets	14		<u><u>9,225,707</u></u>		<u><u>8,909,323</u></u>
Charity funds:					
Unrestricted funds	Page 10		<u><u>9,225,707</u></u>		<u><u>8,909,323</u></u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and in accordance with Section 1A of Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Approved by the Directors and signed on their behalf by


.....
Ronald Dennis C.B.E

Date: 23 January 2019

The notes on pages 12 to 18 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2018

1 Accounting policies

1.1 Basis of preparation

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) (effective 1 January 2015) – (Charities SORP (FRS 102)), Section 1A of the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006, and comply with FRS 102 1A.

The financial statements are presented in Sterling (£).

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

1.2 Company status

The charity is a company limited by guarantee registered in England and Wales. Its principal place of business is Kings Bourne, Pinewood Road, Virginia Water, Surrey GU25 4PA. The members of the company are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Going concern

After making enquiries the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least twelve months from the date the financial statements were approved.

1.4 Incoming resources

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 income receivable can be measured reliably.

Donations received are recognised at the time of the donation together with any attaching gift aid.

Rentals received under operating leases, where substantially all of the benefits and risks of ownership remain with the lessor are credited to funds on a straight line basis over the period of the lease. The costs of any incentives to enter into a lease are spread over the term of the lease.

1.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

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

Support costs comprise those management and administration costs incurred in operating the charity.

Donated services comprise the cost of rent foregone from the use of the charity's property by another charity. The estimated difference between rent received and the market rent is shown both within incoming and outgoing resources.

Governance costs are those incurred in connection with compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

1 Accounting policies (continued)

1.6 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.7 Cash at bank

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

1.8 Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.9 Financial instruments

The charity only has financial assets and financial 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.10 Fund accounting

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

1.11 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 entity 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 its charitable purposes.

1.12 Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are retranslated at the rate ruling at the balance sheet date. All exchange differences are taken to the Statement of Financial Activities.

1.13 Investment property

The investment property is shown at its open market value. The surplus or deficit arising from the annual revaluation is transferred to the investment revaluation reserve unless a deficit, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the Statement of Financial Activities for the year.

This is in accordance with FRS 102 1A which, unlike the Companies Act 2006, does not require depreciation of investment properties. Investment properties are held for their investment potential and not for use by the company and so their current value is of prime importance. The departure from the provisions of the Act is required in order to give a true and fair view.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

All investment income arises in the United Kingdom.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2018

4 Resources expended

4.1 Analysis of charitable expenditure

The charity did not undertake any activity directly but met its charitable purposes by making grants to institutions. Analysis of the expenditure is as follows:

	Non-committed grant funding	Committed grants	Donated services	Support costs	Total 2018
	£	£	£	£	£
Tommy's The Baby Charity (note 6)	-	-	88,760	-	88,760
Health, welfare and advancement of medical services	83,907	-	-	22,996	106,903
	<u>83,907</u>	<u>-</u>	<u>88,760</u>	<u>22,996</u>	<u>195,663</u>

	Non-committed grant funding	Committed grants	Donated services	Support costs	Total 2017
	£	£	£	£	£
Tommy's The Baby Charity (note 6)	-	-	89,200	-	89,200
Health, welfare and advancement of medical services	80,000	-	-	23,865	103,865
	<u>80,000</u>	<u>-</u>	<u>89,200</u>	<u>23,865</u>	<u>193,065</u>

4.2 Analysis of grants made to institutions

	Total 2018	Total 2017
	£	£
<u>Health, welfare and advancement of medical services</u>		
Erin's Appeal	-	20,000
FIDA International (3 grants)	64,987	-
Lyra in Africa	18,920	-
The Young Foundation/Action for Happiness (3 grants)	-	60,000
Total grants	<u>83,907</u>	<u>80,000</u>

In the year, the charity entered into a three year commitment totalling €72,000 with Fida International to support their sponsorship programme which assists families in Ethiopia, Uganda and Burundi out of poverty. All of the families in the programme are poor and host one or more orphans. The project helps with these families' housing, living and medical costs, school fees, uniforms, health education and adult literacy skills and in preparing the beneficiaries for involvement in different income-generating activities.

Lyra in Africa is a charity concerned with the advancement of education and the relief of poverty in Africa with the main activities currently focused on Tanzania where the charity finances the construction of girls dormitories and teachers accommodation for village schools and also pays for a field officer to train villagers in running VSLAs (Village Savings and Loan Associations).

Tommy's The Baby Charity funds research into stillbirth, premature birth, and miscarriage and providing information for parents to be.

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4.3 Support costs

Support costs, consisting of the administration costs of the charity, are split between grant making and governance on the estimated time spent on each activity as shown in the table below. Support costs are apportioned to the different activity groups of the charity.

Support costs	Total allocated 2018	Governance	Charitable activities	Total allocated 2017	Basis of allocation
	£	£	£	£	
Administration	17,115	-	17,115	16,515	Work done
Bank charge	70	-	70	-	Work done
Stationery and printing	471	-	471	-	Actual
Audit	6,500	6,500	-	6,100	Actual
Legal charges	-	-	-	1,250	Actual
Loss on foreign currency transactions	(1,160)	-	(1,160)	-	Actual
	<u>22,996</u>	<u>6,500</u>	<u>16,496</u>	<u>23,865</u>	

5 Employees

The charity did not have any employees in the year other than the directors (2017: nil). None of the directors received any remuneration or reimbursed expenses from the charity in the year.

6 Related party transactions

During the year the charity received rent of £68,813 (2017: £61,999) from Tommy's The Baby Charity (Tommy's) of which Mr R Dennis is a trustee. So long as Dreamchasing is the freeholder of the property the annual rent from 24 June 2017 that Tommy's will pay is £70,000 (2017: £62,000). If Dreamchasing sells the freehold interest it will either reimburse Tommy's directly or the new landlord, the difference between the commercial value of the rent under the tenancy agreement with Tommy's and £70,000 (2017: £62,000). The difference between the commercial value and £70,000 (2017: £62,000), being £88,760 (2017: £89,200), is shown as donated services within both incoming and outgoing resources.

7 Net incoming resources

This is stated after charging:

	2018	2017
	£	£
Auditor's remuneration:		
Audit fees	6,500	6,100
Administration services	17,115	16,515

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8 Taxation

The charitable company is exempt from corporation tax on its income and gains to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

9 Fixed asset investments

**Investment
property**

	£
At 1 May 2017	7,300,000
Additions	3,977
Revaluation	196,023
	<hr/>
At 30 April 2018	7,500,000
	<hr/>

The historical cost of the investment property is £5,216,307 (2017: £5,216,307). The property was last professionally valued in March 2007 at £5,727,000 by Kinney Green Chartered Surveyors. The investment property was valued on an open market basis at 30 April 2018 by the directors.

10 Debtors

	2018	2017
	£	£
Cash held by agents	116,951	89,100
Bank deposit interest	3,626	3,255
Accrued income	15,784	19,739
Other debtors	2,088	15,555
	<hr/>	<hr/>
	138,449	127,649
	<hr/>	<hr/>

11 Creditors: amounts falling due within one year

	2018	2017
	£	£
VAT payable	14,774	2,328
Other creditors	13,507	15,567
Accruals	52,078	31,173
Deferred income	33,183	27,669
	<hr/>	<hr/>
	113,542	76,737
	<hr/>	<hr/>

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FOR THE YEAR ENDED 30 APRIL 2018

12 Creditors: Amounts falling due after one year	2018	2017
	£	£
Grants payable	21,083	20,000

13 Charitable commitments

In the year, the charity entered into a three year commitment with Fida International. The amount of the commitment is €72,000, of which €24,000 was paid in the year ended 30th April 2018, €24,000 being payable in each of the years ending 30 April 2019 and 30 April 2020.

In the year ended 30 April 2017, the charity entered into a three year commitment to The Young Foundation. The amount of the commitment is £60,000, of which £20,000 was paid in each of the years ended 30 April 2017 and 30 April 2018, £20,000 being payable in the year ending 30 April 2019.

The above known commitments have been provided for in these financial statements.

During the year the charity entered into an agreement to provide funding to the Brown Rock Woodland Project over a three year period. The Brown Rock Woodland Project was incorporated as a Community Interest Company on 30 April 2018. Therefore, the amount has not been accrued in these financial statements.

14 Funds and reserves	2018	2017
	£	£
Brought forward	8,909,323	8,802,144
Net incoming resources	120,361	142,566
Revaluation gain/(loss)	196,023	(35,387)
Carried forward	9,225,707	8,909,323

15 Guarantee

The company is limited by guarantee, such guarantee being limited to £1 per member during their time as a member and for a period of twelve months from their ceasing to be a member.