

**Charity Registration No. 1115741**

**Company Registration No. 5750186 (England and Wales)**

**DAI UK**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2017**

# DAI UK

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	Mr R Willison (Chair post AGM May 2017) Mr J A Flewitt Rev P S Nevins Mr I M Derbyshire Rev P Simpson
<b>Chief Executive</b>	Mr C M Rye
<b>Secretary</b>	Mr J A Flewitt
<b>Charity number</b>	1115741
<b>Company number</b>	5750186
<b>Registered office and Principal Office</b>	8 Pinehurst Sunninghill Ascot Berkshire SL5 0TN
<b>Independent examiner</b>	Frances Wilde FCCA DChA Warner Wilde Chartered Certified Accountants 4 Marigold Drive Bisley Surrey GU24 9SF
<b>Bankers</b>	Barclays Bank PLC Town Gate House Church Street East Woking Surrey GU21 6XW
<b>Solicitors</b>	Lawson Lewis & Co. 37 Brassey Avenue Hampden Park Eastbourne East Sussex BN22 9QD
<b>Accountants</b>	Elizabeth Sanders Limited 25 Gordon Road Windsor Berkshire SL4 3RG

---

# DAI UK

## CONTENTS

---

	<b>Page</b>
Trustees' report	1 - 8
Independent examiner's report	9
Statement of financial activities	10
Balance sheet	11
Notes to the financial statements	12 - 20

---

# DAI UK

## TRUSTEES ANNUAL REPORT *(continued)*

### YEAR ENDED 31 DECEMBER 2017

---

The Trustees, who are also directors for the purposes of company law, present their report and the unaudited financial statements of the company for the year ended 31 December 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

#### REFERENCE AND ADMINISTRATIVE DETAILS

Reference and administrative details are shown in the schedule of members of the Board and professional advisers on page 1 of the Financial Statements.

#### THE TRUSTEES

The Trustees who served the company during the period were as follows:

Mr. I. M. Derbyshire  
Mr. J. A. Flewitt  
Rev. L. Gamlen (until 15<sup>th</sup> May 2017)  
Rev. P. S. Nevins  
Rev. P. Simpson  
Mr. R. Willison

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

##### Governing Document

DAI UK is a charitable Company Limited by Guarantee. 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 £10. DAI UK is part of the worldwide ministry of Development Associates International whose Head Office is in Colorado Springs USA.

##### Recruitment and Appointment of the Board of Directors (Trustees)

The Directors of the company are also Charity Trustees for the purposes of charity law and under the company's Articles are known as members of the Board of Directors. The Memorandum and Articles of Association require that at each annual general meeting, one third of the Trustees retire by rotation and may, if eligible, offer themselves for re-election.

Trustees bring a variety of skills to the Board including, business & mission management, marketing experience, financial management, current first-hand knowledge of international issues, local UK Church supporter knowledge, charity management and charity law experience.

The Board continues to keep its work and composition under review and to ensure that the composition of the Board remains adequate to ensure the strategic development of the company's work and proper oversight of its operations and continues to maintain a "Board Diversity, Experience and Skills inventory", developed in 2014, to identify strategic gaps in its composition.

Any new Directors (Trustees) who may be recruited are likely to be sought from people known to the Board, the Chief Executive or senior staff of the ministry who can provide the necessary specialist skills and experience to ensure the proper working of the Board and the development of DAI UK's ministry.

##### Trustee Induction and Training

The Board has approved a document setting out the Role and Responsibility of Board Members and a copy of this is given to new Trustees, together with a copy of the Memorandum and Articles of Association of the company and a copy of the Charity Commission's booklet "The Role and Responsibility of Charity Trustees". New Trustees are encouraged to spend some time with the Chief Executive and other members of the senior staff to gain a proper understanding of DAI's work and of the Chief Executive's specific responsibilities. The need for Trustee training is kept under review and appropriate training will be undertaken if the need is identified.

The Board has approved a policy which encourages Board members to accompany senior staff of the charity on specific training sessions in the UK or overseas, in order to deepen their understanding of DAI's work or to take part in teaching in DAI courses.

The Chief Executive continues to keep the Board well informed on a whole range of matters concerning DAI internationally and the curriculum development and teaching ministry which has been the primary focus of DAI UK's ministry.

# DAI UK

## TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2017

---

### **Risk Management**

The Trustees have considered the major risks facing the charity and the steps already in place to mitigate those risks. The review carried out each year records the risks identified, the steps in place to mitigate those risks and any actions required to further improve risk management.

Procedures are in place to safeguard the health and safety of the Chief Executive, senior staff and any volunteers who may be recruited with special attention given to the assessment of the risks the Chief Executive and senior staff face when travelling to areas of the world with known higher risks. DAI's Risk Policy document sets out the Board's attitude to risk, the organisation and responsibility for managing health and safety matters as well the specific arrangements for dealing with problems should they arise. Internal control risks are minimised by the implementation of appropriate systems and procedures including the segregation of authorisation of expenditure and payments.

DAI UK is still dependent on Development Associates International for a significant part of its funding. During 2017, the Board had limited success with its fundraising initiatives and failed to make significant progress towards the ultimate objective of making DAI UK a net contributor of resources to the worldwide ministry of DAI.

The Company's Reserves Policy has been formulated so that monies held in reserve are generated from UK giving.

### **Organisational Structure**

DAI UK has two members of staff, the Chief Executive, who also serves the international work of DAI as Senior Consultant for Curriculum Development, and the Senior Consultant for Non-Formal Training and Adult Education who in that role serves the international work of DAI. Although both staff members are accountable to the Board of DAI UK, they both have a clear responsibility to the international office of DAI to provide the required curriculum and training services and to report on a quarterly basis the progress of their work and the financial performance of DAI UK. The Chief Executive also assists the Board in the conduct of its affairs and in its various compliance responsibilities.

Currently the Board of Directors (Trustees) is drawn from a variety of professional and charity backgrounds relevant to the work of the charity.

### **Related Parties**

Development Associates International (DAI) provides the corporate identity for DAI's work worldwide. DAI also provides a significant part of the funding for DAI UK at this time.

### **OBJECTIVES AND ACTIVITIES**

We have referred to the guidance in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities, in particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

The company's objects and principal activities are to use all the resources at its disposal for religious, educational and charitable purposes and specifically to enhance the effectiveness and integrity of Christian leaders worldwide by providing leadership development training courses, management consultancy and mentoring.

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

These objectives are met through four core functions as follows:

#### **Education**

DAI provides training and education uniquely geared to the needs of Christian leaders and trainers in Africa, Asia, Latin America, the Middle East, parts of Europe and Russia. These programmes are made accessible in a variety of formats but mainly through training Workshops and distance learning. DAI provides a variety of leadership training courses at three main levels:

- Non-Formal Education: Workshops on a variety of Christian leadership issues including servant leadership, strategic management, fundraising and training of trainers.
- Formal Education through the well-established MA Degree in Organisational Leadership which is currently being taught in partnership with Christian universities and seminaries in 18 countries in Africa and Asia. This is a three year, part-time, distance learning degree course with bi-annual residential learning opportunities (Residencies) for students.
- Online Education through the DAI Institute - DAI's online learning platform - launched in 2016. 6 courses, broadly based on the content of our Non-formal Workshops, are currently available.

#### **Mentoring**

DAI helps experienced leaders to share their knowledge and skills with new and emerging leaders by providing them with training and support so they can help younger leaders apply what they are learning to their own lives and work.

# DAI UK

## TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2017

---

### Consulting

DAI provides short-term management consultancy to leaders and their organisations to help them find the right solutions to the challenges they face in terms of organisational development, financial management, adult-learning and research and evaluation.

### Connecting

DAI works together with other organisations and their leaders to develop leadership training and development programmes to meet their organisational needs. DAI also works in partnership with similar ministries to create and deliver leadership development programmes for others. DAI is committed to fostering partnership working between other organisations to meet their goals.

DAI UK is involved in providing input for these activities specifically by creating curriculum teaching materials, providing training for DAI staff, teaching within DAI's established MA Degree programme and building adult learning skills in leaders and trainers of partnering organisations.

### ACHIEVEMENTS AND PERFORMANCE: INTERNATIONAL OVERVIEW

Internationally 2017 continued to see significant growth in DAI's global ministry, as we continued to serve leaders in Africa, Asia and Latin America. There was significant growth in numbers, in the quality of DAI's materials, in leaders served, and most importantly, in growth in evidence of the impact on leaders' lives.

During 2017, DAI served a total of 33,065 leaders (28,669 in 2016). These numbers were made up of:

- 31,187 leaders in our ongoing education programmes (26,669 in 2016)
- facilitation of 1,130 mentoring relationships in which clearly measurable growth occurred (921 in 2016)
- the completion of 409 consulting projects (646 in 2016)
- the connection of 339 ministries and leaders to much-needed resources (433 in 2016)

DAI's global income in 2017 was £5,259,677 (£4,262,568 in 2016).

DAI has Ministry Centres in Argentina, Costa Rica, Ecuador\*, Mexico, Peru, Burkina Faso\*, Cameroon, Cote d'Ivoire, DRC, Senegal\*, Togo, Nigeria, South Sudan, South Africa, Uganda, Russia, Sweden, India, Indonesia, Myanmar, Nepal, Sri Lanka, Philippines\*, China, Mongolia, Canada\*, USA, United Kingdom and a number of countries in the Middle East (details withheld for security reasons).

*\* denotes 5 Ministry Centres established in 2017.*

Our MA Christian Organisational Leadership is currently offered in 18 countries. In 2017, 978 students were studying in the programme (974 in 2016). 103 individuals graduated at the end of the 3-year programme.

During 2017, 2,745 individuals started a new course.

Every DAI Ministry Centre charges a locally appropriate amount for its Workshops and other services. In addition to charging Workshop fees, they endeavour to raise local donations and gifts in kind. The former qualify for matching grants from the parent organisation (DAI US).

In both our MA programme and our non-formal Workshop programme, we continue to receive very positive feedback about the quality and delivery of our materials and testimony after testimony of deep change in the lives of leaders:

A first-year Ugandan MA student, said:

***"I have enjoyed class for the first time ever since I started my studies. I have learnt a lot and I will apply it in my day to day work. There is a desperate need for transformational servant leaders across the continent of Africa and has a deep desire to influence leaders in both politics and the marketplace. Only if such leadership emerges will the narrative of dependency on external support and the desolation and despondency so prevalent across Africa be brought to an end"***

Noel, an MA Graduate working with World Vision in Sri Lanka, shared that:

***"I had been working as a Program Manager at a World Vision program in the Maskeliya area since 2014 and met these children when I did my field visits. The children have become destitute because either the mother or father has left them, or died. Some live with their grandparents as they have lost both parents. Most of them are malnourished and have no basic materials to attend school. I had a burden for these children and always wanted to do something to help them.***

***The concept paper for Caring Hands was developed as part the DAI MA Fundraising course. I partnered with a local non-profit and together we sought funds from different sources to provide nutrition packs and educational materials.***

***I thank DAI for the Fundraising course, and the MA programme, which inspired me to design this project and implement it***

---

# DAI UK

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2017

---

*successfully. If not for the generosity of the donors, we would not be able to dream of following a valuable program such as this. Thank you DAI, all the donors and all the wonderful facilitators. I thank God for bringing all of you into our lives to enrich us and enable us to use the God-given potential to serve His people meaningfully and effectively."*

A Nepali MA Graduate, now serving as the Director of Ambassadors Football Nepal and as a part-time teacher at Livingstone Academy in Kathmandu, said:

*"You can't just have passion to be a leader, you need the skills to be effective. All the DAI courses have shaped me into a better person, a better leader, a good listener, patient, forgiving, loving and more compassionate to all people groups that I work with.*

*The Spiritual Formation course transformed my spiritual life which has positively impacted my relationships with others and influenced how I lead. The Women in Leadership course helped me understand my role as a woman and affirmed my call to reach out to young girls and mentor them. I hope to raise up godly young women leaders to stand up and lead, as I am trying to lead.*

*For me, DAI's three-year course was an amazing journey. The programme has molded me to be a complete leader, not just in a spiritual aspect but also in terms of financial management, handling conflicts, managing people, planning and understanding the role and importance of women in leadership."*

A Workshop participant in Nepal wrote:

*"I take this opportunity to express my gratitude to DAI for your invaluable contribution in my life through the Servant Leadership and the Facilitating Learning Workshops. Materials developed by DAI are really good and we too use relevant parts of them in our training on leadership for youth at the United Mission to Nepal and for pastors across the nation. Our country faces a leadership crisis both in terms of quantity and quality both in the nation and Christian Community. DAI is helping us as we wrestle with this crisis."*

DAI continues to see growing instability in the nations where the organisation serves resulting in unprecedented challenges for Christian leaders to be the salt and light that is even more desperately needed in these places. These leaders know they need help and ongoing growth to lead in such challenging environments. This provides the motivation for DAI to continue to improve the quality of everything it does and thus expand and deepen its impact in the lives of the incredible leaders it has the privilege to serve.

## ACHIEVEMENTS AND PERFORMANCE: DAI UK OVERVIEW

DAI UK is a member of the family of ministries which make up DAI as an international entity. DAI UK's specific ministry makes a significant contribution to the global ministry of DAI through its focus on curriculum development and the facilitation of training Workshops.

The main aims for 2017 are recorded below with commentary reporting the extent to which each was advanced:

### 1. CURRICULUM DEVELOPMENT

The demand for DAI's training programmes continued to grow worldwide in 2017 and this has been reflected in the contributions to the overall DAI ministry that DAI UK has been called upon to provide in its principal aim of developing, reviewing and demonstrating learning materials for use across DAI's international network.

#### 1.1. Project-manage and assist in the development, piloting and launch of 7 non-formal Workshops

- **The Ministry Of Mentoring:** Following a review based on feedback from pilots in South Asia and Latin America, a final version of the Workshop was launched in July.
- **Strategic Management:** Following refinements to the version first piloted in Cameroon in October 2016, a significantly revised version of the Workshop was released in July.
- **Culture, Ethnicity & Diversity:** A DAI US team member facilitated the pilot of this new Workshop in South Africa in September with 19 participants including some DAI staff. Feedback was overwhelmingly positive and following final amendments and formatting, the Workshop materials were made available to DAI Ministry Centres in January 2018.
- **Growing Marriage:** Two DAI US team members successfully piloted 2 of the 6 sub-courses of this Workshop ('Marriage & Your Deepest Needs' and 'Communication in Marriage') in north-east India and in the Philippines in November. They plan to pilot the remaining sub-courses themselves in these locations in 2018 and to launch the Workshop globally by 'recruiting' DAI and other trusted volunteers to assist a region-by-region roll-out.
- **Spiritual Formation:** By procuring the English versions, DAI UK's CEO & Senior Consultant for Curriculum Development, Colin Rye, assisted the DAI Russia Team with translation of excerpts from books in the first three Units of DAI Russia's existing Workshop and also engaged in the final 'word-smithing' and formatting

of the English version of the Introduction, these Units and additional materials. Translation and conversion of the remainder of the materials is expected to be completed in early 2018.

- **Conflict Management:** See 1.3 below.
- **Community Development, Justice & Social Change:** Some final formatting of the Facilitator's Guide, Participants' Workbook and PowerPoints created to support this Workshop's use in North America will be completed by Colin Rye in early 2018 in order that these materials can be made available for Ministry Centres to adapt and use as they see fit.

#### **1.2. Project-manage and assist in the development, piloting and launch of 8 new non-formal Workshops**

- **Learning to Lead: Servant Leadership for Youth:** The Workshop authors, based in South Asia, conducted the first pilot in Papua in April. A second pilot was conducted in September in Uganda with 25, 12-15-year-old, participants facilitated by local Ministry Centre staff who passed constructive feedback to the Workshop authors who ran a further pilot in Sri Lanka in September. Thereafter, they progressed some refinements to the Workshop materials to enable its launch in January 2018.
- 7 Workshops initiated at the DAI Staff Conference in Egypt in June 2016 (**Integrity & Finance, Passing The Baton (Transition In Leadership), Finding Yourself As A Leader in Christ, Environment Protection, Next Generation, Basic Counselling and Encounter With God**) and included in the Strategic Plan for development in 2017 were subsequently removed from the list of priorities for development following discussions between DAI's President and the Regional Directors.

#### **1.3. Consult with, and mentor the creator of the revised MA Conflict Management and Transformation, develop materials for the MA Residency and for a non-formal Workshop**

The revised MA **Conflict Management and Transformation** Course has now been offered on three occasions – once in Uganda and twice in India. Its creation has included resources for the Facilitators of the Residencies which will form the basis of the non-formal Workshop version of the Course which DAI UK's Senior Consultant for Non-Formal Training and Adult Education, John Rogers, will start to develop in early 2018.

#### **1.4. Complete the major revision of the MA Introduction to Leadership Course and take part in the launch of the new materials at the MAOL Residency in Uganda in August 2017**

As planned, the major revision of the MA **Introduction to Leadership Course** was launched in Uganda in August at a Residency with 22 Students in attendance. Some further revisions have now been completed and a final version of the course is now being used across the MA programme in English.

#### **1.5. Advise and participate in the development of on-line versions of non-formal Workshops for the DAI Institute and, where appropriate, assist in the creation of materials for students**

Following the re-filming of the **Strategic Management** Workshop in June with Colin Rye as presenter, DAI's Online Director is editing the recordings for DAI's online platform - the DAI Institute.

Following the completion of the creation of the non-formal **Culture, Ethnicity & Diversity** Workshop, DAI's Online Director is also scripting materials for its filming for the DAI Institute in January 2018.

#### **1.6. Ensure that MA curriculum developed in the UK is reviewed as necessary and continues to meet the needs of the students and the programme**

As indicated above, the revision and relaunch of the **Conflict Management and Transformation** and **Introduction to Leadership** Courses was completed during 2017.

### **2. Relationship with DAI's Global Service Centre & Ministry Centres**

#### **2.1. Establish and communicate DAI UK's role as DAI's primary centre of excellence for non-formal curriculum development and, in this regard, as an extension of the DAI Global Service Centre in Colorado Springs**

Whilst DAI UK continued to have a key role in the coordination and writing of curriculum in 2017, this Strategic Plan objective was superseded (see 4.1 below).

#### **2.2. Mentor and support Facilitators, from the UK and elsewhere, for the global MA Programme as appropriate**

Colin Rye and John Rogers have continued to provide orientation, advice, mentoring and support to Associate Facilitators based in the UK, as well as in other parts of the world, for DAI's MA programme.

#### **2.3. Continue to provide a means for designated funds raised in the UK for DAI's international ministry to be transferred in accordance with donor's wishes**

During the year £21,352 (c.\$28,945) was transferred to DAI US for onward distribution.



#### 3. Communications & Fundraising

##### 3.1. Quantify the current and projected investment in non-formal curriculum development in order to develop a funding plan to span the Five Year Plan period as a vehicle for developing proposals to seek funding from UK-based grant-making institutions

See 4.1 below.

##### 3.2. Extend the awareness and income-generating potential of DAI in the UK by:

- ***developing new approaches to motivate new and existing supporters to offer financial support and to motivate existing donors to increase their financial support e.g. legacy-giving, special appeals, mobile-giving campaigns***

During the year, we continued to promote DAI UK via our website and social media channels (launched September 2015):

- the website has attracted 4,964 page views since launch (2,456 at end 2016)
- Facebook 'posts' have attracted 59,981 users since launch (35,980 at end 2016). At they year end 122 people had 'liked' the DAI UK Facebook page (109 at end 2016)
- LinkedIn 'posts' have attracted 5,050 users since launch (3,394 at end 2016)
- Twitter 'posts' have acquired 19,444 Impressions since launch (11,151 at end 2016)

Prayer Updates were distributed in January, April, July and October and News Updates were distributed in February, May, September and December. At the year-end, the subscriber base totaled 235.

- ***developing advocacy materials to enable approaches to be made to elicit financial support from churches***  
No specific approaches were made in 2017 as the Trustees agreed that preparations to make approaches to UK-based grant-making institutions should be a higher priority.

- ***exploring revenue-generating UK consulting opportunities***

Colin Rye continued consultancy work related primarily to strategic direction and secondarily to resolution of division of leadership roles and responsibilities issues with a Church in Cambridge. To date this Assignment has generated £1,928 (£1,670 received in 2016; £258 in 2017).

In January 2017, Colin Rye was appointed as a Director of the UK Church Administrators Network (UCAN) - the source of the referral for the above Assignment and a potential source for future UK consulting opportunities.

In mid-June, Colin Rye met the UK Director of Grace Evangelistic Ministries (GEM) to explore opportunities to work together. Discussions are ongoing but, because GEM is undergoing restructuring, this potential project is on hold.

#### 4. Governance and Staffing

##### 4.1. Develop a succession plan that aligns with the Five Year Vision for DAI UK and reflects the funding plan and the quantification of the human resource needs to meet the Strategic Plan objectives

The draft DAI UK 2018 Strategic Plan was submitted to DAI's President in September. The Plan reflected:

- the intended appointment of a new Director to oversee MAOL, Workshop and DAI Institute curriculum development and its impact on the role of DAI UK
- the desire to explore fundraising for DAI's global ministry in the UK more robustly
- the desire to explore UK opportunities to offer consultancy, facilitation and coaching services

Following Colin Rye's announcement in October of his intention to retire at the end of March 2018 and John Roger's previously planned retirement at the end of August 2018, the DAI UK Trustees have engaged in dialogue with DAI in the US to explore options for the future of DAI UK. These have largely focused upon the desire to explore new sources of fundraising for DAI's global ministry and potentially meeting the leadership development needs of immigrant communities in the UK. It is anticipated that specific proposals will require further discussion and will follow the Meeting of Trustees in January 2018.

##### 4.2. Continue to recruit additional DAI UK Board Members to meet the specific needs identified in the gifting and skill-base review conducted in late 2014

With former DAI UK Chairman Laurence Gamlen's resignation in May, the search for additional DAI UK Trustees has continued with one promising candidate ultimately deciding not to accept an invitation to join the DAI UK Board in mid-year.

# DAI UK

## TRUSTEES ANNUAL REPORT *(continued)*

### YEAR ENDED 31 DECEMBER 2017

---

#### 4.3. General Data Protection Regulations

Colin Rye has commenced work to ensure that DAI UK meets the requirements of the significant new General Data Protection Regulations which come into effect from late May 2018. This requires the creation and completion of extensive risk assessments to demonstrate compliance.

#### 5. Other Activities

##### 5.1. Mentoring

During the year, John Rogers accepted invitations from two individuals to become their mentor. At the year end, these relationships were still in their infancy although one mentee had begun to demonstrate servant leadership and is enabling others in the organization she is developing.

##### 5.2. Consulting

See 3.2 above.

##### 5.3. Connecting

Colin Rye was involved in renewed discussions with Tearfund in late September in respect of their "Inspired Individuals" programme for which they are seeking to establish strategic partnerships for curriculum development and delivery. Discussion was largely fact-finding for a report to Tearfund Senior Management.

### FINANCIAL REVIEW

Developing income from UK sources continues to be a challenge although it was encouraging that donations from individuals, Churches and Trusts in the UK increased by £2,190 in 2017.

Income from UK sources for 2017 was £33,574 (£34,355 in 2016). Of this £21,175 (£22,654 in 2016) was restricted income for specific international projects which DAI is supporting.

DAI US continues to provide a significant part of the operational funding required by DAI UK. In 2017, DAI US underwrote £57,690 of the operating costs of DAI UK (£68,761 in 2016). The Board will continue to make every effort to increase UK sources of funding during 2018 and recognises that this will require significant dedicated effort.

In terms of regular donor support, total income from individual donors increased to £16,754 (£13,838 in 2016).

During the year, we also received a number of restricted, one-off gifts:

- a gift of £7,000 in support of DAI projects in South Asia
- a gift of £7,500 in support of a DAI project in India
- a gift of £1,000 in support of DAI's East Africa Famine Appeal
- gifts totalling £1,375 in support of Bangladeshi leaders travelling to Nepal to receive training
- a gift of £500 in support of the pilot of the **Culture, Ethnicity and Diversity** Workshop in South Africa

#### Investment Policy

There are no restrictions on the charity's power to invest. Given the small sums of money currently involved and the limited objectives of such investment, the investment strategy is determined solely by the Trustees. The overall investment policy is to protect the value of the capital and preserve, as far as is possible, the real value of the capital by seeking returns to mitigate the impact of inflation. It is considered that this policy is best implemented, at this time, by investing cash in a high interest savings account without exceeding the maximum sum covered for the chosen deposit-taking institution of the Deposit Protection Scheme administered by the FSCS.

#### Reserves Policy

DAI UK remains significantly dependent on income from Development Associates International (DAI) to fulfil its objects. However, as part of its Risk Management process, Trustees concluded that, should funds from DAI US cease to be available, the current main liability would be meeting the employment costs of staff for three months and have established a reserve fund which at the year-end amounted to £13,503 (2016 £16,346).

# DAI UK

## TRUSTEES ANNUAL REPORT *(continued)*

### YEAR ENDED 31 DECEMBER 2017

---

#### PLANS FOR FUTURE PERIODS

Ministry plans for 2018 comprise:

**1. Curriculum Development**

- 1.1. Project-managing and assisting in the development, piloting and launch of 5 non-formal Workshops:
  - Servant Leadership for Ages 13+
  - Culture, Ethnicity & Diversity
  - Growing Marriage
  - Spiritual Formation – Pursuing Christ-likeness (Russian translation)
  - Conflict Management
- 1.2. Advising and participating in the development of on-line versions of new non-formal Workshops for the DAI Institute.
- 1.3. Ensuring that Workshop and MAOL curriculum developed in the UK is reviewed as necessary and continues to meet the needs of the students and participants in the programme.

**2. Training, Mentoring, Consulting and Coaching**

- To identify and provide appropriately qualified people from the UK to serve as facilitators for DAI’s MA courses and non-formal Workshops internationally and to mentor and support them.

**3. Governance and Staffing**

- Recognising the intended retirement of Colin Rye (end March 2018) and John Rogers (end August 2018), to:
- Work with the DAI US parent organisation to explore a succession plan that aligns with the organisation’s corporate needs.
  - Seek to identify additional DAI UK Board Members with the gifting, experience and skill-base to support the future of DAI in the UK.
  - Continue to provide financial support to a variety of projects across DAI’s international ministry from donations from UK donors and institutions.

#### INDEPENDENT EXAMINER

Warner Wilde Limited has been appointed as Independent Examiner for the ensuing year.

Registered Office:  
8 Pinehurst  
Sunninghill  
Berkshire  
SL5 0TN

Signed on behalf of the Trustees

Mr. Robin Willison .....

# DAI UK

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF DAI UK

---

I report to the trustees on my examination of the financial statements of DAI UK (the charity) for the year ended 31 December 2017.

### Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

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

### Independent examiner's statement

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

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

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

Frances Wilde FCCA DChA

Warner Wilde  
Chartered Certified Accountants  
4 Marigold Drive  
Bisley  
Surrey  
GU24 9SF

Dated: .....

# DAI UK

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2017

---

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<b><u>Income from:</u></b>					
Donations and legacies	3	72,155	21,175	93,330	105,743
Charitable activities	4	1,649	-	1,649	245
Investments	5	5	-	5	8
<b>Total income</b>		<u>73,809</u>	<u>21,175</u>	<u>94,984</u>	<u>105,996</u>
<b><u>Expenditure on:</u></b>					
Raising funds	6	3,438	-	3,438	4,676
Charitable activities	7	74,861	22,721	97,582	97,510
<b>Total resources expended</b>		<u>78,299</u>	<u>22,721</u>	<u>101,020</u>	<u>102,186</u>
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		(4,490)	(1,546)	(6,036)	3,810
Fund balances at 1 January 2017		<u>17,993</u>	<u>1,546</u>	<u>19,539</u>	<u>15,729</u>
<b>Fund balances at 31 December 2017</b>		<u><u>13,503</u></u>	<u><u>-</u></u>	<u><u>13,503</u></u>	<u><u>19,539</u></u>

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# DAI UK

## BALANCE SHEET

AS AT 31 DECEMBER 2017

---

	Notes	2017 £	£	2016 £	£
<b>Current assets</b>					
Debtors	12	-		348	
Cash at bank and in hand		16,740		22,334	
		<u>16,740</u>		<u>22,682</u>	
<b>Creditors: amounts falling due within one year</b>	13	(3,237)		(3,143)	
Net current assets			13,503		19,539
			<u>13,503</u>		<u>19,539</u>
<b>Income funds</b>					
Restricted funds	15		-		1,546
Unrestricted funds			13,503		17,993
			<u>13,503</u>		<u>19,539</u>
			<u>13,503</u>		<u>19,539</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2017. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on .....

.....  
Mr R Willison (Chair post AGM May 2017)  
**Trustee**

**Company Registration No. 5750186**

# DAI UK

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

---

### 1 Accounting policies

#### Charity information

DAI UK is a private company limited by guarantee incorporated in England and Wales. The registered office is 8 Pinehurst, Sunninghill, Ascot, Berkshire, SL5 0TN.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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

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

#### 1.4 Incoming resources

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

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

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

The value of any volunteer help is not included in the accounts, with the exception of the provision of professional services which would be valued and included as a gift in kind in voluntary income and a corresponding cost in the relevant category.

# DAI UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2017

---

#### 1 Accounting policies

(Continued)

##### 1.5 Resources expended

##### 1.6 Cash and cash equivalents

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

##### 1.7 Financial instruments

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

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

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs. Financial assets classified as receivable within one year are not amortised.

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

##### **Derecognition of financial liabilities**

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

##### 1.8 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

##### 1.9 Retirement benefits

The charity operates a defined contribution pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

##### 1.10 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease.



# DAI UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2017

---

#### 1 Accounting policies

(Continued)

##### 1.11 Foreign exchange

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

##### 1.12 Debtors

Prepayments are valued at the amount prepaid after taking account of any discounts due.

##### 1.13 Creditors

Creditors are recognised where the charity has a present obligation arising from a past event that will probably result in the transfer of funds to a third party and the amount due can be measured or estimated reliably.

#### 2 Critical accounting estimates and judgements

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

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

# DAI UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

### 3 Donations and legacies

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
Donations and gifts	10,745	21,175	31,920	34,110
Grants receivable for core activities	61,410	-	61,410	71,633
	<u>72,155</u>	<u>21,175</u>	<u>93,330</u>	<u>105,743</u>
<b>For the year ended 31 December 2016</b>	<u>83,089</u>	<u>22,654</u>		<u>105,743</u>
<b>Donations and gifts</b>				
Donations from individuals	3,366	10,204	13,570	11,399
Gift Aid Tax recovered	713	2,471	3,184	2,439
Donations from Churches	6,300	1,500	7,800	13,152
Donations from Trusts and Foundations	366	7,000	7,366	7,120
	<u>10,745</u>	<u>21,175</u>	<u>31,920</u>	<u>34,110</u>

#### Grants from DAI US are made up as follows:

For operating costs	£57,690
MA costs	£2,685
Other UK costs	£1,035

### 4 Charitable activities

	2017	2016
	£	£
Other income	<u>1,649</u>	<u>245</u>

### 5 Investments

	2017	2016
	£	£
Interest receivable	<u>5</u>	<u>8</u>

# DAI UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

---

### 6 Raising funds

	2017	2016
	£	£
<u>Supporter Relationship Development</u>		
Other fundraising costs	68	-
Staff costs	3,370	4,676
	<u>          </u>	<u>          </u>
Supporter Relationship Development	3,438	4,676
	<u>          </u>	<u>          </u>
	<u>3,438</u>	<u>4,676</u>

# DAI UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

### 7 Charitable activities

	Education and training	Mentoring and consulting	Curriculum development	Partnership building	Total 2017	Total 2016
	£	£	£	£	£	£
Staff costs	23,592	6,740	23,591	3,370	57,293	56,782
Education and training	21,321	-	-	-	21,321	20,973
Resources and books	114	-	-	-	114	214
Travel and accommodation costs	2,274	100	-	-	2,374	2,880
MA costs repaid by DAI US	2,680	-	-	-	2,680	1,368
DAI UK Expenses in UK	1,039	-	-	-	1,039	-
Curriculum development	-	-	19	-	19	783
DAI US - expenses in UK	-	-	-	-	-	135
	<u>51,020</u>	<u>6,840</u>	<u>23,610</u>	<u>3,370</u>	<u>84,840</u>	<u>83,135</u>
Share of support costs (see note 8)	8,597	-	-	-	8,597	8,416
Share of governance costs (see note 8)	4,145	-	-	-	4,145	5,959
	<u>63,762</u>	<u>6,840</u>	<u>23,610</u>	<u>3,370</u>	<u>97,582</u>	<u>97,510</u>
<b>Analysis by fund</b>						
Unrestricted funds	41,041	6,840	23,610	3,370	74,861	
Restricted funds	22,721	-	-	-	22,721	
	<u>63,762</u>	<u>6,840</u>	<u>23,610</u>	<u>3,370</u>	<u>97,582</u>	
<b>For the year ended 31 December 2016</b>						
Unrestricted funds	41,824	3,734	24,164	6,680		76,402
Restricted funds	21,108	-	-	-		21,108
	<u>62,932</u>	<u>3,734</u>	<u>24,164</u>	<u>6,680</u>		<u>97,510</u>

# DAI UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

### 8 Support costs

	Support costs £	Governance costs £	2017 £	2016 £	Basis of allocation
Staff costs	6,740	-	6,740	5,345	
Office, finance, travel and subsistence	673	-	673	1,223	
Computer support	1,184	-	1,184	1,848	
Board expenses	-	232	232	45	Governance
Accountancy fees	-	2,877	2,877	4,913	Governance
Insurance	-	176	176	171	Governance
Independent Examination	-	860	860	830	Governance
	<u>8,597</u>	<u>4,145</u>	<u>12,742</u>	<u>14,375</u>	
Analysed between Charitable activities	<u>8,597</u>	<u>4,145</u>	<u>12,742</u>	<u>14,375</u>	

### 9 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the year, and no-one was reimbursed for travel expenses.

### 10 Employees

#### Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
Management staff	<u>2</u>	<u>2</u>
<b>Employment costs</b>	<b>2017 £</b>	<b>2016 £</b>
Wages and salaries	61,034	60,762
Social security costs	3,155	3,165
Other pension costs	3,214	2,876
	<u>67,403</u>	<u>66,803</u>

There were no employees whose annual remuneration was £60,000 or more.

# DAI UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

---

<b>11 Financial instruments</b>	<b>2017</b>	<b>2016</b>
	£	£
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	-	348
	=====	=====
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	1,595	1,535
	=====	=====
<b>12 Debtors</b>	<b>2017</b>	<b>2016</b>
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	-	348
	=====	=====
<b>13 Creditors: amounts falling due within one year</b>	<b>2017</b>	<b>2016</b>
	£	£
Other taxation and social security	1,642	1,608
Other creditors	-	31
Accruals and deferred income	1,595	1,504
	=====	=====
	3,237	3,143
	=====	=====

### 14 Retirement benefit schemes

#### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £3,214 (2016 - £2,876).

# DAI UK

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2017

### 15 Restricted funds

	Balance at 1 January 2017	Movement in funds		Balance at 31 December 2017
		Incoming resources	Resources expended	
	£	£	£	£
CED Pilot	-	500	(500)	-
Himalyan Region "Beloved" sponsorship	-	481	(481)	-
Himalayan Region - CP support	-	9,000	(9,000)	-
Himalayan Region - D Tamang	-	125	(125)	-
Bangladesh leaders appeal	1,546	1,375	(2,921)	-
Himalayan Region - Myanmar Orphanage (CP project)	-	450	(450)	-
MA Student Support	-	600	(600)	-
Polk Support	-	144	(144)	-
South Sudan Appeal	-	1,000	(1,000)	-
Translation and other projects	-	7,500	(7,500)	-
	<u>1,546</u>	<u>21,175</u>	<u>(22,721)</u>	<u>-</u>

The restricted funds support project work in specific geographical areas.

### 16 Related party transactions

There were no disclosable related party transactions during the year (2016 - none).