

Disability Karate Federation

A company limited by guarantee

Annual Report and Financial Statements for the Year Ended 31 August 2016

Company registration number: 08654724

Charity registration number: 1156581

Accountants: SPX Oxford Ltd

106-108 Cowley Road

Oxford

OX4 1JE

Disability Karate Federation

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Disability Karate Federation

Reference and Administrative Details

Charity Name	Disability Karate Federation
Charity registration number	1156581
Company registration number	08654724
Registered office	45 Mill Lane Oxford OX3 0QB
Trustees	Stephen Pellit Tracey Jameson Raymond Sweeney
Accountant	SPX Oxford Ltd 106-108 Cowley Road Oxford OX4 1JE

THE DISABILITY KARATE FEDERATION

REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2016

The trustees (who are also the directors of the charity for the purposes for the Companies Act) present their annual report together with the financial statements of The Disability Karate Federation (the charitable charity) for the period ended 31 August 2016. The trustees confirm that the annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2015.

Structure, governance and management

a. Constitution

The charity is registered as a charitable company limited by guarantee and was established under a Memorandum of Association dated 19 August 2013.

The charity is constituted under a Memorandum of Association dated 19 August 2013 and was registered with the Charity Commission with number 1156581 on 8 April 2014.

The principal object of the charity is to provide facilities and instruction for karate in the interests of social welfare for individuals who have need of such facilities by reason of their youth, age, infirmity or disability, financial hardship or social circumstances. With the object of improving their conditions of life and in order to make the participation of karate inclusive to all.

b. Method and appointment or election of trustees

The management of the charity is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

The power to appoint new trustees rests collectively with the trustees. Trustees will be selected for their expertise and experience. The ongoing trustees will be responsible for the induction of new trustees, which involves an awareness of a trustee's responsibilities, the governing document, administrative procedures, the history and philosophical approach of the charity. The trustees will make available a welcome pack to include copies of the previous year's annual report and accounts, a brief history of the Foundation and a copy of the governing document. The pack will also include a copy of the Charity Commission guidance "The Essential Trustee: What you need to know" and "Charities and Public Benefit".

c. Organisational structure and decision making

The trustees meet a minimum of four times a year and decisions concerning the charity are made by the trustees at these meetings, guided by the Chief Executive. The trustees also agree the broad strategy and areas of activity for the charity including reserves and risk management policies.

The management of the charity is delegated to the Chief Executive.

THE DISABILITY KARATE FEDERATION
REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2016 (CONTINUED)

Objectives and Activities

a. Policies and objectives

The aims of The Disability Karate Federation are to create change through sustained participation and a competition pathway for people who are disabled, disadvantaged or living with poverty. The company looks not to instruct people in karate, but to coach people through the medium of karate. The outcomes from participation include increased educational and employment opportunities.

The trustees consider that the performance of the charity has been satisfactory and in furtherance of its public benefit objectives. The trustees continue to have regard to the public benefit requirements of the Charity Commission while planning its activities.

b. Activities for achieving objectives

KickStart 100 Projects have been undertaken all around the UK. The projects have provided training for several karate instructors to become coaches and for disability experts to become Community Coaches. These teachers, carers or parents are trained in basic karate techniques as Activator coaches to help to maintain the sustainability of the projects.

The Disability Karate Federation ran two Festivals of Martial Arts to provide a safe, non-contact competition pathway which is athlete centred and adapted to the needs of disabled athletes so that people with any form of disability can participate.

The charity sponsored karate world champion and paraplegic wheelchair user Dirk van der Merwe to come to the UK and in conjunction with him, the charity has revised the Adapted Grading Syllabus to meet the needs of wheelchair users in particular but also people with missing limb, learning disability and autism so that everyone can participate, achieve and enjoy the feeling that achievement brings. The Syllabuses grew from adapted training methods which can be utilised as a coaching tool along with the special equipment developed to assist the coaching of people with a disability.

The DKF trained Dirk to become a Level 2 Strength and Conditioning Coach, Weightlifting Coach and Kettlebell Coach. He was also trained to become a Level 2 Coach, Level 3 Tutor and Level 3 Assessor. The DKF also trained Dirk van der Merwe to act as one of only three Wheelpower mentors to newly disabled people and guided them into new employment and education opportunities.

Achievements and performance

a. Review of activities

KickStart 100 projects were carried out in Devon, Staffordshire, London, Carmarthenshire and Buckinghamshire with the object of creating new participation for over 1000 disabled athletes.

The charity won Sport England's LEAP Project of the Year.

The charity was awarded Sportivate Deliverer of the Year.

CO Ray Sweeney was awarded 35th place in the Top 500 Most Influential Coaches in the World

Dirk van der Merwe was awarded LEAP Community Coach of the Year 2016 for creating participation for 340 disabled people in Buckinghamshire

The charity has been accepted as a member of the umbrella body for sport in the UK, the Sport and Recreation Alliance.

The charity has been accepted as a member of Disability Action Alliance and was one of thirteen disability sport experts on the roundtable discussion on the creation of the UK's disability sports strategy for the next 15 years.

The charity has been accepted as a member of the Association For International Sport for All (TAFISA), a member of the International Olympic Committee.

To counter an attempt at identity theft, the charity had to reserve several companies with similar names. The charity has registered a trademark and the companies have not traded.

The charity has become a Recognised Centre for 1st4Sport Qualifications and a Workshop Partner with Sportscoach UK to provide in-house qualifications in sport. The charity has trained three tutors, two assessors and has ad hoc employed two Internal Quality Assurers. The DKF has provided Level 2 coach education for over 40 coaches who can now coach people with a range of abilities and disabilities.

The charity was invited to meet the organisers of Paralympics 2020 Japan to advise them on accessibility and communications issues

The DKF carried out a second international Erasmus+ Youth Project "Enabled Media" looking at how to make media and communications accessible for people with a disability. The British Council and the EU provided funding for young disabled and non-disabled youth worked together in Spain and the UK alongside parents, carers and media experts to produce accessible written, photographic and video media for the British Open and the European Championships.

The charity carried out an international Erasmus+ Youth Project "Network of Inclusive Communities in Europe" (NICE) looking at how to foster inclusion and strengthen traditional communities and how we might increase participation in the modern communities of social media. The British Council and the EU provided funding for young disabled and non-disabled youth in Spain and the UK along with their parents, carers and technology experts to work together with different social media and accessible technologies to see how we might facilitate and increase participation.

The following policies have been established for coaching staff and members:

- Codes of Practice for coaches, volunteers, athletes and parents
- Safeguarding Policy and Protection Policy for vulnerable adults and children
- Appeals Policy for gradings and qualifications
- Malpractice Policy for gradings and qualifications
- Data Protection Policy
- Grading Policy
- Therapeutic Use Exemption (TUE)
- WADA Anti-Doping and Drug Education
- Equal Opportunities Policy
- Health and Safety Policy
- Quality Assurance Policy
- Complaints Policy
- Coaching Development Policy

THE DISABILITY KARATE FEDERATION
REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2016 (CONTINUED)

The charity has received donations of Office 365, Sage Live and Salesforce software to enable it to properly monitor membership, participation, athlete development and to quality assure the processes of Coach MSD and CPD. The membership application forms collect market-segmented participation data which is entered into the new system.

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

b. Review for the year

Incoming resources for the year were £137,436.

Net outgoing resources were £119,314.

c. Reserves policy

The charity is currently dependent on County Sports Partnerships, small grants, European partners and the British Council to sustain its activities, as earned income alone would not allow the DKF to continue operating. This means that if there were to be a gap in funding it is likely that the DKF would have to close down. To avoid closure, if funding difficulties were to happen the DKF board has agreed to keep a certain level of financial reserves to ensure that main operations can continue for a period of 2 months. The main concerns of the board are to ensure:

- that staff can continue working, primarily to secure new funding
- that members/service users are supported to move on to other services

Currently funding has been secured until December 2018, but if difficulties were to arise then, it has been calculated that reserves of £2500 would be needed to continue running for at least 2 months. The reserves should be built up from the unrestricted (earned) income. The level of reserves should be calculated and monitored every 6 months by the trustees. This policy should be reviewed yearly and whenever there are significant changes in staff hours or numbers.

d. Risk management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen those risks.

THE DISABILITY KARATE FEDERATION
REPORT OF THE BOARD OF TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2016 (CONTINUED)

Plans for the future

a. Future developments

In September 2016 the charity will take on two interns with Masters degrees in Law and Sports Science

In September 2016 the DKF will collaborate with Spanish Judo and Italian Taekwondo on a project in Sardinia to examine the core values in martial arts and their relevance to disabled people in Europe.

In October 2016 the charity will send 10 athletes and their carers to Jakarta for the TAFISA World Games. TAFISA will provide funding for local travel, accommodation, food and two drivers and two guides on 24 hour call.

In November 2016 the DKF will run the second Ikkaido British Open at Stoke Mandeville Stadium

In December 2016, the charity will begin writing the first ever Inclusive Martial Arts Coach Level 2 qualification on the UK qualification framework which will be regulated by OFQUAL and accredited by the UKCC.

In December 2016, the charity will take a lead role in a major international collaboration project with partners including the UNESCO Chair of Disability, International Council for Coaching Excellence, International Council for Sports Science and PE and TAFISA. The project will involve travel to several countries bringing together several international martial arts partners to examine the lived experiences of disabled martial artists and investigate the need for an international inclusive martial arts coaching framework. The DKF role in the project has a total value of around €75,000 which has been designated for salaries over two years.

In January 2017 DKF will begin new KickStart 100 projects in Surrey and Berkshire.

In March 2017 the DKF will present disability martial arts to 56 Olympic Committees at a major sports conference in Iran.

In May 2017 the charity will take on two interns in IT and computing and one intern in Accounting to finalise the integration of Sage and Salesforce and build a new CRM and website

In June 2017 the charity will begin work with University College London in an Erasmus+ project to create a social media app that is accessible to people with a disability and teach them how to safely use social media.

In June 2017, the charity will begin working with Sported to produce a model for long-term funding

In June 2017 the charity will begin an Erasmus+ collaboration project with 10 European countries on employment and education for people with a disability.

In July 2017 the DKF will employ its first disabled person as an apprentice and begin training large groups of disabled people as coaches.

In 2018 the DKF will demonstrate martial arts for people with a disability in the Netherlands at the TAFISA European Games.

The charity will continue to sign MoUs with major international sport and physical activity organisations in order to promote further inclusion and participation for people who are disabled, disadvantaged or living with poverty.

The charity has submitted the following additional projects:

Great Minds – a project on Stress, Trauma and PTSD

International Cooperation ON Inclusive Coaching (ICONIC)– Grass roots level coaching qualifications

EVA-FEM - a project on empowering disadvantaged women including refugees from conflict and disaster, from the Roma and traveller communities.

THE DISABILITY KARATE FEDERATION
STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

Trustees' responsibilities

The Board members are responsible for preparing the annual report and accounts in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

The Board are required to prepare accounts for each financial year, which give a true and fair view of the state of affairs of the charity and the incoming resources and application of these resources, including the net income and expenditure of the charity for the year. In preparing these accounts the Board members are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any materials departures disclosed and explained in the accounts; and
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Board of Trustees on 28/05/2017 and signed on its behalf:

Trustee

A handwritten signature in black ink, appearing to read 'R. P. Swain', is written over a light yellow rectangular background.

Disability Karate Federation
Statement of Financial Activities for the
Year Ended 31 August 2016

		Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Unrestricted Funds	Restricted Funds £	Total Funds 2015 £
Note							
Income from:							
2	Donations and legacies	3,126	-	3,126	-	-	-
3	Charitable activities	133,932	-	133,932	46,033	11,995	58,028
	Investment income	47	-	47	39	-	39
	Other income	331	-	331			-
	Total income	137,436	-	137,436	46,072	11,995	58,067
Expenditure on:							
	Raising funds	241	-	241	-	-	-
4	Charitable activities	119,073	-	119,073	47,262	11,995	59,257
	Total expenditure	119,314	-	119,314	47,262	11,995	59,257
	Net income / -expenditure	18,122	-	18,122	- 1,190	-	- 1,190
	Transfers between funds	-	-	-	-	-	-
	Net movement in funds	18,122	-	18,122	- 1,190	-	- 1,190
Reconciliation of funds:							
	Total funds brought forwards	6,837	-	6,837	8,027	-	8,027
	Total funds carried forward	24,959	-	24,959	6,837	-	6,837

The Statement of Financial Activities includes all gains and losses in the year and therefore there a statement of comprehensive income has not been prepared. All of the above amounts relate to continuing activities.

Disability Karate Federation
Balance Sheet as at 31 August 2016

		2016		2015	
	Note	£	£	£	£
Current assets					
Debtors: Amounts falling due within one year	6	-		1,754	
Cash at bank and in hand		42,055		26,020	
		<u>42,055</u>		<u>27,774</u>	
Current liabilities					
Creditors: Amounts falling due within one year	7	17,096		20,937	
Net current assets			24,959		6,837
Net assets			<u>24,959</u>		<u>6,837</u>
The funds of the charity					
Funds					
Unrestricted income funds			24,959		6,837
Restricted income funds			-		-
Total funds	8		<u>24,959</u>		<u>6,837</u>

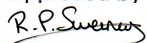
For financial year ended 31 August 2016, the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board on 29 May 2017



RP Sweeney (Trustee)

The notes on pages 12 to 16 form an integral part of these financial statements.

Disability Karate Federation
Notes to the Financial Statements for the Year Ended 31st August 2016

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Charities Act 2011 and in accordance with the Statement of Recommended Practice (SORP): Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

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

The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

The Trustees have taken advantage of the option for early application of the amendments to the SORP outlined in Update Bulletin 1 which does not require charities not meeting the definition of "larger" to present a cash flow statement in accordance with amendments to FRS102.

Fund accounting policy

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

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

Income

Donations are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

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

Disability Karate Federation
Notes to the Financial Statements for the Year Ended 31st August 2016 (contd)

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Support costs

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

Fixed assets

Individual fixed assets costing £750 or more are capitalised and depreciated over their estimated life. To date there have been no assets costing more than £750.

2. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Donations	1,603	-	1,603	-
Gift Aid	1,523	-	1,523	-
	<u>3,126</u>	<u>-</u>	<u>3,126</u>	<u>-</u>

3. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Grant	126,301	-	126,301	42,875
Tutoring fees	-	-	-	6,172
Coaching income	1,974	-	1,974	6,977
Membership income	5,345	-	5,345	1,821
Other charitable income	312	-	312	183
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total charitable activities	<u>133,932</u>	<u>-</u>	<u>133,932</u>	<u>58,028</u>

Disability Karate Federation
Notes to the Financial Statements for the Year Ended 31st August 2016 (contd)

4. Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Direct costs				
Coaching fees	7,006	-	7,006	4,018
Clothing, belts and equipment	6,364	-	6,364	4,532
Sponsorship	11,844	-	11,844	-
Venue hire	11,416	-	11,416	3,330
Subscriptions and licenses	455	-	455	734
	<u>37,085</u>	<u>-</u>	<u>37,085</u>	<u>12,614</u>
Support costs				
Travel and subsistence	30,848	-	30,848	21,444
Accommodation	22,061	-	22,061	5,781
Wages	12,071	-	12,071	-
Printing, postage, stationery and video production	1,235	-	1,235	5,665
Telephone, internet and social media	1,642	-	1,642	2,760
Professional fees and courses	6,497	-	6,497	4,021
Insurance	1,083	-	1,083	908
Bank charges	173	-	173	90
Sundry	2,775	-	2,775	4,534
Governance costs	3,603	-	3,603	1,440
	<u>81,988</u>	<u>-</u>	<u>81,988</u>	<u>46,643</u>
Total expenditure on charitable activities	<u>119,073</u>	<u>-</u>	<u>119,073</u>	<u>59,257</u>

5. Governance costs

	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
Legal Fees	2,272	-	2,272	-
Accountancy	900	-	900	-
Independent examiner's fees	120	-	120	1,440
Trustee expenses	311	-	311	-
Total governance costs	<u>3,603</u>	<u>-</u>	<u>3,603</u>	<u>1,440</u>

Disability Karate Federation
Notes to the Financial Statements for the Year Ended 31st August 2016 (contd)

6. Staff costs and numbers

	2016	2015
	£	£
Wages	12,000	-
Social security costs	71	-
	<u>12,071</u>	<u>-</u>

The average number of employees was 1 (2015: nil).
 No employee received any pay or benefits in excess of £60,000 per year.

7. Debtors

	2016	2015
	£	£
Trade debtors	-	894
Accrued income	-	860
	<u>-</u>	<u>1,754</u>

8. Creditors: Amounts falling due within one year

	2016	2015
	£	£
Accruals	1,020	5,272
Trustee expenses to refund	16,078	1,868
Grants repayable	-	13,797
	<u>17,098</u>	<u>20,937</u>

9. Analysis of funds

	At 1 September 2015	Incoming Resources	Resources expended	At 31 August 2016
	£	£	£	£
General Funds				
Unrestricted income funds	6,837	137,436	119,314	24,959
Restricted Funds				
	-	-	-	-
Total funds	<u>6,837</u>	<u>137,436</u>	<u>119,314</u>	<u>24,959</u>

Disability Karate Federation
Notes to the Financial Statements for the Year Ended 31st August 2016 (contd)

10. Related party transactions and trustee remuneration

One trustee was paid in his role as chief executive officer from September 2015. This was agreed by the other trustees, and the trustee in question has since stepped down as a trustee and is acting solely as the chief executive.

The amount of pay received in the year was £12,000.

No other benefits were received.

The following trustees were reimbursed for expenses:

R Sweeney: £16,006 (2015: £2,002)

S Pellitt: £nil (2015: £318)

There was a balance of £16,078 (2015: £1,868) of expenditure incurred by R Sweeney during 2015-16 which had not been reimbursed at the year end. The expenditure has been included in the Statement of Financial Activities in the relevant category, and is shown as a creditor at the year end.

Independent examiner's report to the trustees of Disability Karate Federation (Charity 1156581)

I report on the accounts of the company for the year ended 31 August 2016, which are set out on pages 10 to 16.

Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act;
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the next statement.

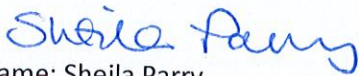
Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Name: Sheila Parry

Relevant professional qualification or body: ACCA

Address: SPX Oxford Ltd
The Old Music Hall
106-108 Cowley Road
Oxford OX4 1JE

Date: 19 June 2017

