

18 January 2010

African Promise

Accounts for the year ended 31 March 2009

OUR REF JAP / AFR/1/1

Warners Solicitors Bank House Bank Street Tonbridge Kent TN9 1BL

Telephone: 01732 770660 Fax: 01732 362452 DX: 5501 Tonbridge

AFRICAN PROMISE

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for the year ended 31 March 2009

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AFRICAN PROMISE

Trustees' Report

The Trustees present their Report and Accounts for the year ended 31st March 2009.

1. Legal and Administrative Details

Trust Deed

African Promise is governed by the Charitable Trust Deed of 10th December 2008.

Charity Registration

The Trust was registered with the Charity Commission on 13th January 2008 under registration number 1122285.

Registered Address

The registered address of the Charity is:

Polebrook
Hever
Edenbridge
Kent TN8 7NJ

Bank accounts

An account for receiving funds in the UK and for remitting funds to Kenya is held at:

CAFBANK Ltd
Kings Hill
West Malling
Kent ME19 4TA

Funds for payment of UK administrative costs are also held at:

Lloyds TSB
Exeter Branch
High Street
Exeter
Devon EX4 3NL

In Kenya, an account for receiving remitted funds from the UK is held at:

Barclays Bank Kenya
Voi Branch
Po Box 720
Voi 80300
KENYA

Solicitors

The name and address of the Charity's Solicitors are:

Warners Law LLP
Bank House
Bank Street
Tonbridge TN9 1BL

Independent Examiner

The name and address of the Independent Examiner is:

John Whiter FCA
62 Bishopsgate
London
EC2N 4AW

Under the Charities Act 1993 and 2006 the Accounts have been subject to an independent examination.

2. Trustees, governance and management

Trustees

The names of the trustees are:

Nicola Anne Coldman
Geoffrey Richard Marshall
Graham Edward Coldman
James Richard Underhill

Trustee selection methods

Under the Trust Deed the power of appointing new trustees of the Charity is vested in the Settlor, Charles William Edward Coldman.

3. Objectives and Activities

The objects of African Promise are to apply the income and all or part or parts of the capital for exclusively charitable purposes, having regard to the guidance issued by the Charity Commission on public benefit. To this end in the year ended 31 March 2009 the trustees have applied funds to promote and provide for the advancement of education in primary schools in Kenya in particular by supporting the development of schools in the Kasigau region, namely: Rukanga Primary School, Makwasinyi Primary School, Bungule Primary School, Jora Primary School and Kiteghe Primary School

The trust deed gives the trustees the power to invest money as they shall in their absolute discretion see fit. The trustees have funds invested in two bank accounts in the UK and one in Kenya. In the UK, funds are held with Lloyds TSB (a Clubs, Societies and Charities account) and CAF BANK Ltd (a CAFCash account). The latter is an interest earning account. In Kenya, funds are held with Barclays Bank Kenya in an interest earning account.

4. Policies

Reserves policy

The trustees have the power to establish funds for particular purposes or to maintain reserves. However, at the moment, the trustees have no formulated reserves policy.

5. Financial Review

This is the first full financial year of operation of the charity. The accounts show the use of funds in the UK and Kenya. Income for the accounting period was £102,223. Almost all of this was in the form of voluntary income with much of this, in turn, in the form of grants from trusts, foundations and corporate bodies. Grants of note include £42,000 from the John Coldman Charitable Trust and £10,000 from Aspect Capital Ltd – a London based investment manager. Just a tiny fraction of the charity's income was in the form of regular, guaranteed income from standing orders.

In the accounting period, the charity transferred £61,000 of its UK source income to its bank account held in Kenya. This converted to 6,850,322 Kenyan shillings to be used on the charity's projects in education. The cost of transferring these funds was £220.

The accounting year closed with a net movement in funds showing an excess of £59,627. This is after making an accounting adjustment to transfer a payment of £20,100 from resources expended in the Statement of Financial Activities to Debtors. This represents a prepayment of a deposit for a sanitation and water project where work did not commence till after the accounting year end. The year closed with cash funds of £45,017 in the UK and Kenya. All these funds have been earmarked for expenditure in Kenya and the funds will be transferred to Kenya at or near the start of the next accounting period.

Funds for the Kenyan projects are not remitted until absolutely necessary as it is preferable to retain sterling in a UK held account as opposed to the weaker Kenyan shilling.

In the accounting period our administrative costs accounted for less than 0.2 per cent of total expenditure.

5. Achievements and performance

Initial set-up

With the charity only being officially registered with the Charities Commission in January 2008, sufficient funds to commence project work in Kenya were not attained until May 2008, at which point Charles Coldman, Founder and Project Director, moved out to Kenya to take up his role overseeing the charity's charitable activities.

Using personal funds he had a house, and base for the charity, built in the village of Jora.

His main focus upon arrival in Kenya, other than overseeing the construction of this building, was the formal establishment of African Promise on the ground in Kenya including the registration of the organisation and the setting-up of a bank account for receiving UK source income remitted from the UK.

After lengthy investigation it was decided neither to register African Promise as a non-governmental organisation (NGO) in Kenya for the time being, nor to establish it as a Trust as in the UK.

A bank account was opened with Barclays Kenya and, for now, Charles is the sole signatory on the account.

In September, Denis Mwanyiro, a local known to Charles, was employed on a trial-basis as a Project Manager to assist with the day-to-day management of African Promise projects in the schools. This appointment became permanent from October.

A printer for the office and a mountain bike for use by Charles and Denis were purchased at a combined cost of 11,500.00 Kenyan shillings (£102.40).

Charitable activities

In line with the charity's objectives, the sole focus of the charity's activities in Kenya during the accounting period was on school infrastructure development.

The major project for the year was the first phase of the redevelopment of Rukanga Primary School. This included the construction of a dedicated office and staffroom block, the construction of a purpose-built library facility and renovations to the eight existing primary classrooms.

Much of the construction work was completed by the accounting period end and expenditure was 3,632,177.00 Kenyan shillings (£32,343.52). Work, in particular on furnishing and stocking the library, will continue into the next financial period and further projects at Rukanga are proposed for the future.

Towards the end of the accounting period work started on the first phase of the development at Makwasinyi Primary School – including the construction of a library, an office and staffroom block and a new pre-primary school building. The project was in its very early stages at the year end and expenditure stood at 588,124.00 Kenyan shillings (£5,237.09).

At the year end, a fifty (50) per cent deposit of 2,257,300 Kenyan shillings (£20,100.62) was paid to Kentainers (the leading provider of sanitation units and water tanks in East Africa) for a contract to provide and install modern sanitation and rainwater harvesting facilities at Jora Primary School and Rukanga Primary School. The work had not commenced by the end of the accounting period but the start date was imminent.

UK and Kenya offices, fundraising, marketing and administration

In the UK, the charity neither rents nor owns an office. The registered address of the charity is the home address of the Founder, Charles Coldman, and one of the charity's trustees, Nicola Coldman.

Administration of the charity, including correspondence and book-keeping, is undertaken by Charles Coldman and Nicola Coldman.

Charles Coldman, Settlor, Founder and Project Director, works for the charity on a purely voluntary basis. He divides his time between the UK and Kenya. The cost of his flights and entry visas during the accounting period were covered by his own personal funds, as were his living costs in Kenya.

The charity subscribes to JustGiving, a website that assists with on-line fundraising and collecting sponsorship. The monthly fee, paid by Direct Debit from the charity's Lloyds TSB account, was £17.62 (including VAT) for the first 10 months of the accounting period, after which it was £17.25 (including VAT). In the year, donations and sponsorship received via the JustGiving website amounted to £432.00 and the tax reclaimed for the charity was £78.37 (after deductions for transaction commissions, fees and VAT).

The charity also subscribes to Flickr, an online photo journal, in order to keep a visual record of progress on its projects for the benefit of donors and supporters. The annual subscription fee amounted to £17.57.

In Kenya, from the final month of the accounting period the charity started renting a small office in Rukanga at a cost of 2,000 Kenyan shillings (roughly £18) per month - inclusive of all electricity usage. A deposit of one month's rent was paid. The charity employed one full-time member of staff, Denis Mwanyiro, in Kenya. His remuneration amounted to £579.00 in the accounting period.

Overheads for the accounting period in Kenya (including communication and transport costs) amounted to £1,518.00.

The charity does not own a vehicle in Kenya.

6. Declaration

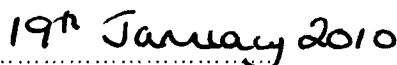
The trustees declare that they have approved the trustees' report above.

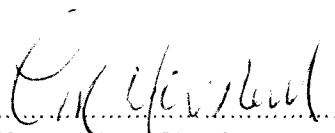
Signed on behalf of the Charity's trustees:

Date

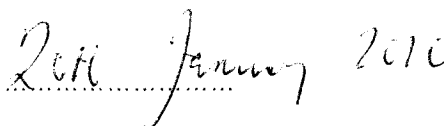


.....
Nicola Anne Coldman





.....
Geoffrey Richard Marshall



AFRICAN PROMISE

Statement of Financial Activities
for the year ended 31 March 2009

	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Income</u> <u>Funds</u>	<u>Endowment</u> <u>Funds</u>	<u>Total</u> <u>Funds</u> <u>2009</u>	<u>Total</u> <u>Funds</u> <u>2008</u>
Notes	£	£	£	£	£
Incoming resources					
3					
Incoming resources from generated funds					
Voluntary income	101,168			101,168	4,462
Investment income	1,055			1,055	-
Total incoming resources	<u>102,223</u>			<u>102,223</u>	<u>4,462</u>
Resources expended					
4					
Charitable activities	41,446			41,444	-
Governance costs	1,150			1,150	-
Total resources expended	<u>42,596</u>			<u>42,594</u>	<u>-</u>
Net incoming resources before transfers	59,627			59,627	4,462
Transfers					
Gains and losses on currency exchange	(8)			(8)	-
6					
Net movement in funds	<u>59,619</u>			<u>59,619</u>	<u>4,462</u>
Total funds brought forward	4,462			4,462	-
Total funds carried forward	<u>64,081</u>			<u>64,081</u>	<u>4,462</u>

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Balance Sheet as at 31 March 2009

		<u>Unrestricted Funds</u>	<u>Restricted Income Funds</u>	<u>Endowment Funds</u>	<u>Total Funds 2009</u>	<u>Total Funds 2008</u>
Notes	£	£	£	£	£	£
Fixed assets		-			-	-
Current assets						
Debtors	9	20,214			20,214	-
Cash at bank and in hand:						
CAF Bank Cafcash Account		44,442			44,442	4,018
Lloyds TSB Account		199			199	444
Barclays Bank of Kenya Ksh Uwezo Account		41			41	-
Kenyan shillings in cash		335			335	-
Total current assets		65,231			65,231	4,462
Creditors: amounts falling due within one year	7	(1,150)			(1,150)	-
Net assets		64,081			64,081	4,462
 Funds of the Charity						
Unrestricted funds	8	64,081			64,081	4,462
Restricted income funds			-		-	-
Endowment funds				-	-	-
Total funds		64,081			64,081	4,462

The Accounts were approved by the trustees
and signed on their behalf by :

Date

NA Coldman

.....
Mrs Nicola Anne Coldman

19th January 2010

AFRICAN PROMISE

Notes to the Accounts for the year ended 31 March 2009

1 Basis of preparation

(a) Basis of accounting

The Accounts have been prepared under the historical cost convention, in accordance with applicable accounting standards and comply with Statement of Recommended Practice, Accounting and Reporting by Charities' issued in March 2005 (SORP 2005).

2 Accounting policies

INCOMING RESOURCES

(a) Recognition of incoming resources

Income is recognised in the period in which the charity is entitled to receive it.

(b) Tax reclaims on donations and gifts

Incoming resources from tax reclaims are included in the Statement of Financial Activities at the same time as the gift to which they relate.

(d) Investment income

This is included in the accounts when receivable

(e) Currency exchange gains and losses

This includes any gain or loss arising on translating transactions carried out in Kenyan Shillings to GB Pounds and vice - versa. Transactions during the year are translated at an average exchange rate for the year and closing cash balances are translated at the year end exchange rate.

EXPENDITURE AND LIABILITIES

(f) Governance costs

Governance costs include the costs of preparation and examination of statutory accounts.

ASSETS

(g) Kenyan cash balances

Kenyan cash and bank balances are converted to GB Pounds using the exchange rate operative at the year end date.

3 Analysis of incoming resources

	<u>2009</u>	<u>2008</u>
	<u>£</u>	<u>£</u>
<u>Voluntary income</u>		
Major donors : trusts and foundations	84,000	-
Gift Aid	6,709	-
On - line giving	432	-
Standing orders	2,775	-
Other donations	7,252	4,462
	<u>101,168</u>	<u>4,462</u>
 <u>Investment income</u>		
Bank interest	1,055	-
	<u>1,055</u>	<u>-</u>

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Notes to the Accounts for the year ended 31 March 2009

4 Analysis of resources expended	<u>2009</u>	<u>2008</u>
	£	£
<u>Charitable activities</u>		
Overheads and salaries	2,382	-
Capital expenditure	102	-
Direct project costs	38,962	-
	<u>41,446</u>	<u>-</u>
 <u>Governance costs</u>		
Accountancy fees	1,150	-
	<u>1,150</u>	<u>-</u>

5 Support costs

Trustees expenses

The trustees did not take any expenses in the year.

Fees for examination of the accounts

The independent examiner is making no charge for his examination.

6 Gains and losses on currency exchange	<u>2009</u>	<u>2008</u>
	£	£
Income less expenditure for the year translated at average rate for the year Kenyan shillings 43,039 @ 112.300	383	-
 Closing cash and bank balances translated at closing rate for the year Kenyan shillings 43,039 @ 114.514	 (375) 8	 - -
	<u>8</u>	<u>-</u>

7 Creditors : amounts falling due within one year

Accountancy fees	1,150	-
	<u>1,150</u>	<u>-</u>

8 Unrestricted Funds

The unrestricted funds do not contain any designated funds which have been earmarked by the Trustees for specific purposes.

9 Debtors and Prepayments

Amounts falling due within one year

	<u>2009</u>	<u>2008</u>
	£	£
Gift aid tax reclaims due	114	-
Deposit prepaid on Kenyan sanitation and water project	20,100	-
	<u>20,214</u>	<u>-</u>

AFRICAN PROMISE

Independent examiner's report to the Trustees of African Promise

I report on the accounts of the Trust for the year ended 31 March 2009, which are set out on pages 1 to 9.

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 43 of the 1993 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act; and
- 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 statement below.

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 41 of the 1993 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act

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.



John Whiter FCA
Independent Examiner
62 Bishopsgate
London
EC2N 4AW

Date: 25/1/10