

African Promise

Registered charity number 1122285

**Trustees' Report & Accounts
for the year ended 31 March 2018**

African Promise

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African Promise

Legal, Reference and Administrative Information

Constitution and objectives

African Promise is a Charity under the terms of Section 3 of the Charities Act 1993 and 2006. The charity was registered with the Charity Commission on 13th January 2008 under the registration number 1122285. The charity is governed by the Charitable Trust Deed of 10th December 2007.

The principal activity of the charity is to promote and provide for the advancement of education in primary schools in rural Kenya.

Registered Address

97a Stormont Road
London
SW11 5EJ

Founder

Charles Coldman (Director)

Trustees

Christopher Ott (Chairman)
Gary Shiels (Treasurer) [appointed 24 April 2018]
Katherine Lawson [appointed 24 April 2018]
Nicola Coldman

Principal Bankers

CAF Bank Ltd
Kings Hill
West Malling
Kent ME19 4TA

Barclays Bank Kenya
Voi Branch
Po Box 720
Voi 80300
Kenya

Independent Examiner

John Southworth FCA
Southworth and Co Ltd Chartered Accountants
Four Elms
Edenbridge
Kent
TN8 6NE

African Promise

Structure, Governance and Management

Structure and management

The Board of Trustees meets quarterly and is responsible for the strategic direction and policy of the charity.

The Director is responsible for ensuring the charity delivers its objectives. The Project Manager has responsibility for day-to-day activities in Kenya. The Director visits Kenya periodically to assess work undertaken on the ground, to hold meetings with key stakeholders and to review the performance of the project management team in Kenya.

Under the Trust Deed the power of appointing new Trustees of the Charity is vested in the Settlor, the charity's founding director. The Trustees shall at no time exceed four in number. There are currently no official policies and procedures for the induction and training of new trustees.

Risk

The trustees have identified and assessed the major risks to which the charity is exposed and systems have been established to mitigate those risks.

- As a relatively small charity operating in a competitive environment we are always faced with the risk that our income stream collapses and is not sufficient to meet on-going expenditure. This risk is greater now more than ever before given the charity's increasing number of programmes that require on-going funding.
- Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Withdrawal of funds from our Kenyan bank account by local staff must be authorised by instruction to the bank by our Director and any payments from our UK bank account require dual authorisation of our Director and a Trustee.
- The volatility of the currency market presents a risk to effective and accurate budgeting. The Trustees have taken steps to minimise this risk by its use of currency hedging (for further details see *'Financial Review'*)

Objectives

The object of the charity as set out in the Trust Deed is to benefit the public by promoting and advancing education in primary schools in Kenya in particular, but not restricted to, those schools in the Kasigau region, namely: Rukanga Primary School, Makwasinyi Primary School, Bungule Primary School, Jora Primary School and Kiteghe Primary School. To meet this object the activities of the charity include, but are not limited to the following:

1. Improvement of school infrastructure through the construction and renovation of facilities including, but not limited to, classrooms, libraries, toilets, nursery schools and offices;
2. Provision of physical resources including, but not limited to, classroom furniture and playground equipment;
3. Provision of basic educational resources, including, but not limited to, textbooks, reading books and learning materials.
4. Support of teacher salaries, training and professional development.

Reserves Policy

The Trustees aim to keep a reserve of at least three months running costs. This does not include the cost of on-going programmes such as the feeding programme and teacher salaries.

Statement of Trustees' Responsibilities

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of the affairs of the charity at the end of the financial year and of its incoming resources and application of resources. In preparing these financial statements, the Trustees 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 material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and which enables them to ensure that the financial statements comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

African Promise

Trustees' Report for Annual Accounts 2017-18

Introduction

The Trustees are pleased to set out in the following pages their report on the activities, achievements and finances of the charity for the year ended 31st March 2018.

Overview of Activities

The charity undertook the following activities in the year in pursuit of its objectives:

- Invested £77,888 in the infrastructure of our existing seven partner schools
- Provided a daily lunch to every pupil across our seven partner schools, equating to more than 504,000 meals over the period at a total cost of £42,024
- Funded the salaries of 17 additional teachers across our partner schools at a total cost of £17,754
- Provided additional resources and opportunities (including furniture, books and trips) worth £7,501
- Invested £21,620 in fundraising activities to generate total incoming resources of £197,834, an impressive ROI of almost £9 for every £1 spent

Programme Review

Over the year the charity spent a total of £165,190 directly on meeting the costs of its projects and programmes. This represented a slight year-on-year decrease from the record high of 2016/17 of £199,538.

Main activities

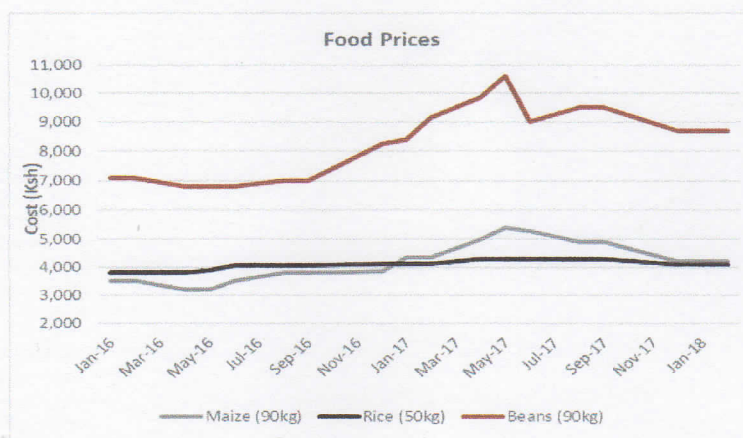
- **Infrastructure development** - we continued our on-going programme of redevelopment of our existing partner schools and made further progress towards our ambition of completing this work by the end of 2020/21. Kisimenyi Primary became the first of our network of schools to acquire the full range of facilities with which we are aiming to equip the schools, with the completion of on-site staff housing (*below left*) and a dining hall. Other key projects for the year included the commencement of a major 12-month project to upgrade all classrooms and the administration block at Kiteghe Primary School (*below right*), which were built by another organisation in 2005/06. Prior to the start of these works, Kiteghe had received the lowest level of capital investment from African Promise but we are spending around £50,000 on these projects and others in the pipeline (including construction of new toilets, improvements to rainwater harvesting and landscaping works) and we expect the school to become recognisable as an African Promise partner school towards the end of 2018.



In the year, we unfortunately had to condemn some of the 'MobiLet' toilets that we installed at Bungule Primary in 2012 (due to the foundations being undermined by loose, drying soil). We replaced these with permanent pit latrine toilets which include fully-lined pits to prevent subsidence. We had already ceased using the 'MobiLet' toilets some years ago but we continue to monitor those we had already installed elsewhere for similar problems whilst ultimately planning to replace them all.



- **Feeding programme and water supply** - the price of the basic staples (maize, rice and beans) which make up the meals for our school lunch programme reached a peak in May 2017 (see graph below) as a result of the severe and prolonged drought that began in 2016.



In order to maintain our support of a daily term-time meal within the limited means of the charity, we resolved to reduce the portion sizes we use to calculate the amount of food we provide each month. Even with these adjustments however the cost of the programme in local currency terms rose by about 6% year-on-year; when converted to sterling, the cost of the programme was some 12% higher than in 2016/17. We have now provided some 1.75 million meals since we launched the programme in a single school in September 2013.

In response to the continuing drought and the absence of significant rainfall, we also delivered 84,000 litres of clean water to schools in the year at a total cost of £869.

- **Teacher salaries** – as planned, we took on the funding of a seventeenth teaching post and now provide funding for the salaries of at least two teachers in each of our partner schools, with parents providing funding for approximately another 50% of that number. Every teacher employed with

funding from African Promise and parents is paid a salary of 13,000 KES per month (circa £90 at current rates). In the year we provided a total of £17,754 in cash transfers to school in order to meet the costs of employing additional teachers.

Impact & achievements

- Headteachers continued to report near 100% attendance rates, thanks in particular due to the feeding programme which helps to remove hunger as one of the major barriers to education
- There was not a day in any school during the year when there was a shortage of water available for drinking and cooking
- We provided casual employment for 117 local builders and labourers, totalling more than 6,325 days of paid work

Plans for 2018/19 & beyond

In the year we formalised our discussions with a proposed eighth partner school at Mkamenyi Primary and started planning work for the extensive redevelopment of this dilapidated and run-down school. We plan to start these works, which we have estimated will cost around £250,000, in early 2019 with a targeted completion date of the end of 2020.

Simultaneously, we will continue to invest funds in our oldest partner schools to bring their facilities up to the same high standard that we have achieved at our most recent partner schools at Kisimenyi and Ngambenyi, and that we are aiming for at Mkamenyi. As always, the exact scope of this programme is entirely dependent on funding, but key projects in the pipeline for 2018/19 include the continuation and completion of the works started at Kiteghe. As far as funds allow we will continue to add to rainwater storage capacity, to install lighting in classrooms and other key buildings, and to construct new or replacement classrooms, staff housing and dining halls, as well as support the schools with the maintenance and upkeep of those facilities we have provided.

Away from our building programme, we will continue to prioritise the provision of a daily lunch to all pupils but expect that the revised portion sizes (which are still sufficient to provide an adequate meal) will remain in place for the long-term. As much as funds allow we will also continue to provide funding for at least the 17 teaching positions we already support.

Fundraising Review

The year was another of development and progress towards achieving the charity's strategic fundraising objectives of diversifying the charity's income streams and reducing the charity's reliance on any one donor or source of income. The activities highlighted below resulted in total incoming resources for the year of £197,834 (2016/17: £145,154) which was raised from a mixture of individual donations, supporter fundraising activities, grants and donations from trusts and companies, and fundraising events.

Main activities

- **Promotional film production** – in line with our plans, we commissioned a videographer/photographer to produce a promotional film about our work alongside a library of images to use in our fundraising and marketing. We were joined in Kenya for 5 days by filmmaker Ben Sherlock from Xplore Films in July 2017 and the results of his work can be seen on our website at www.africanpromise.org.uk/walktoschool. The total cost of his services was £9,732.

- **Aspect Capital Charity of the Year** – we were voted charity of the year for 2017/18 by staff at our long-time corporate partner, Aspect Capital. Their fundraising day in September 2017 raised a total of almost £50,000 including matched funding from the company.
- **Christmas Carol Service** – the charity held its second annual Christmas Carol Service at St Giles-in-the-Fields Church in London on Wednesday 13th December 2018. The event was attended by approximately 200 guests who were entertained by performances by the *London International Gospel Choir* and Young Musician of the Year finalist *Matilda Lloyd* and her brass quintet, *Ramiel Brass*, as well as readings from actors *Simon Russell Beale* and *Paul Jesson*. A gross amount of £5,141 was raised from ticket sales and the collection whilst sponsorship receipts of £2,350 covered our costs of £1,982.



- **BigGive Christmas Challenge** – we again participated in the BigGive Christmas Challenge. The Trustees and a major donor provided £2,500 in matching funds, alongside a further £2,500 from our 'Charity Champion', *The Coles-Medlock Foundation*. A total of £5,025 was raised in online donations during the week-long challenge from 27 new donors and existing supporters.

The Trustees would like to place on record their thanks to the following donors and supporters: Suzanne Payne & supporters of *Baskets4Bread*; the charity committee and staff at *Aspect Capital*; the Hardie family; the Coldman family; Mark & Kat Richardson; *Herrod Foundation*; *Souter Charitable Trust*; *Hazel's Footprints Trust*; our Carol Service sponsors *Hampden Capital*, *AON*, *Great Northern Hotel*, *Dominic Christian*, and *Hortons*; the team at *Kids4Kenya*; *Ian McMonagle*; *Coles-Medlock Foundation*; and all of our regular donors.

Achievements & impact

- For every £1 spent on fundraising and marketing activities in the year we raised around £8.70. This compares to £11.40 for every £1 spent in 2016/17, however once one-off costs (such as the film production) are discounted the figure for 2017/18 is £15.70 for every £1 spent.
- Unrestricted income accounted for 78% of total income against a target of at least 60% (excluding major partnership donations).
- We received approximately 400 individual donations, including from 81 first-time donors, against a target of 500.

Plans for 2018/19

The main focus of our fundraising and marketing activities in 2018/19 will be on our 10th anniversary celebrations and the launch of our fundraising campaign for the new project at Mkamenyi. We plan to launch the public appeal in conjunction with the 2019 BigGive Christmas Challenge when donations will be matched £-for-£. In the year we received the first half of a £50,000 donation (with the balance expected in early 2018/19) which, with agreement from the donor, we have designated towards this project.

More generally, we will continue to invest in fundraising and marketing activities in order to build a stable, reliable and mixed revenue stream for the charity to support both our on-going activities and planned new work, including at Mkamenyi. This could include:

- the introduction of additional public and private fundraising events such as a golf day and/or annual gala dinner
- increasing the number of places that we purchase in challenge events such as the Royal Parks Half marathon
- investing in additional fundraising materials (including a film and brochure specifically to support our fundraising campaign for the new project at Mkamenyi Primary)
- use of specialist fundraising consultants on a paid, voluntary or pro-bon basis to support specific fundraising activities

Finance Review

The Statement of Financial Activities to follow shows the combined income and expenditure of the charity in the UK and Kenya.

The accounts show total income for the year of £197,834 against expenditure of £190,509, generating a surplus of £6,847 after accounting for exchange rate gains/losses. The year closed with total funds of £82,179, of which £16,714 was held in restricted funds (see Note 7 for further breakdown).

Currency hedging

We continued our practice of currency hedging and the use of forward contracts to purchase local currency for remittance to Kenya to help protect against volatility in the currency market and provide greater certainty when budgeting and forecasting the cost of our projects and programmes in sterling terms.

In the year we drew down a total of 19,224,070 Kenyan shillings (KES) from our open forward contracts that covered the period and purchased an additional 4,189,608 KES in 'spot' trades. Using this strategy, the average rate achieved for the year was 144.98 KES to £1 (2016/17: 152.29). This compared to an average market rate for the year of 135 KES.

Looking ahead, the Trustees have budgeted for an average exchange rate for the next period 2018/19 of 130. This has been determined on the basis that the charity has a balance of £80,000 in forward contracts for drawdown in the year at a rate of 130.05, whilst we forecast that the rate achievable on new forward contracts or spot trades for the year will also be around this level given current market conditions and the increasing uncertainty surrounding Brexit. The Trustees took advantage of a high market rate in January 2018 to book a forward contract for 2019/20, valued at £100,000, at a rate of 145 KES.

At the year end, the charity held funds of £6,000 with Ebury (our currency broker) which represented the balance of deposits on forward contracts. These are protected in the same way as deposits held at a UK bank. Ebury have informed us that because of our long-standing relationship and our record of promptly settling trades they have reduced our initial deposit margin for new forward contracts from 5% to 0%.

Reserves position

The charity held 'free' general funds of £65,465 at the year end, although £25,000 of this had already been designated for specific purposes. This compares with the charity's policy to maintain reserves of at least three-months running costs equal to around £10,000. The charity usually ends the financial year with high levels of free reserves as the majority of our income is raised in the last 3-4 months of the financial year.

Gift Aid

The charity is registered with HMRC to claim tax relief on eligible donations. In the year, the charity continued to do this directly on donations it received directly (by way of cash or cheque) and indirectly through appointed nominees on eligible donations made through third-party donation processing platforms that the charity utilises. For the purposes of these accounts, all Gift Aid receipts are considered unrestricted, even where the original donation has been made for restricted purposes. Gift Aid receipts in the year totalled £7,833 (2016/17: £3,442).

Operations & Management Review

The charity spent a total of £19,155 on support costs associated with delivering its projects and programmes. This included expenditure on staff remuneration, on the running of a local office, vehicle and motorbike, and on staff travel and transport (including flights to/from Kenya for our Director).

Main activities

- Our Director made two trips to Kenya totalling 16 weeks in-country. The costs of his flights, visas, airport transfers and necessary hotel accommodation were met by the charity. These amounted to £1,694 (2016/17: £2,586). Our Director continued to make use of his own property when staying in our project area and to meet the costs associated with the use of this out of his personal resources.
- We spent £1,388 on equipment and furnishings for our local rented office in Kenya. This included IT equipment, new desks, tables and chairs, and shelving cabinets.
- We met formally and collectively with all headteachers of our partner schools on two occasions to discuss school-wide issues related to African Promise activities. In between times, we continued to meet formally with headteachers and management committees on a school-by-school basis, to speak to headteachers and teachers informally during visits to schools, and to maintain a WhatsApp group to facilitate conversation and exchange of information.

Governance Review

The Trustees continued to take steps to improve the governance of the charity.

Main activities

- The Trustees met four times during the year, in April, July and October 2017 and in January 2018 to review matters relating to the governance of the charity. From February 2018, the Trustees introduced monthly management phone calls to receive updates on the day-to-day activities of the charity.
- Mr Gary Shiels joined the Board of Trustees as Treasurer on an initial 'trial' basis with a view to this being made a permanent appointment in 2018/19. The charity was also in discussions with Mrs Katherine Lawson at the year-end and hoped to confirm her appointment to the Board in 2018/19.
- The Trustees commenced a review of the charity's policies and procedures, including our Data Protection and Privacy Policies to ensure compliance with the General Data Protection Regulation (GDPR) to be introduced from May 2018.

- The charity registered with the Fundraising Regulator in February 2018 and has formerly adopted their fundraising Code of Practice.

Incorporation update

The Company (number 10136706) that was registered with Companies House on 20th April 2016 remains dormant pending completion of the reregistration of the charity as a Charitable Company Limited by Guarantee with the Charity Commission. This process has remained on hold whilst the Board restructure has been undertaken as the Charity Commission had initially raised concerns regarding conflict of interests on the Board.

2016/17 Accounts and Tax Return Penalties

The charity received penalties totalling £250 from HMRC and Companies House in relation to the late filing of tax returns and Annual Accounts for the 2016/17 financial year. This occurred as a result of confusion over our status with Companies House, our financial year-end dates as well as due to missed/mislaidd notices from HMRC. The Trustees expects to incur a further £200 in fines associated with this in 2018/19.

Declaration

The Trustees Report was approved by the Trustees and signed on their behalf by:

Trustee

Date

Christopher Ott (Chairman)

Gary Shiels (Treasurer)

African Promise

Statement of Financial Activities for the year ended 31 March 2018

| | Unrestricted Funds 2018 | Restricted Funds 2018 | Total Funds 2018 | Total Funds 2017 |
|--|-------------------------------|-----------------------------|------------------------|------------------------|
| Notes | £ | £ | £ | £ |
| Incoming resources | 2 | | | |
| <i>Incoming resources from generated funds</i> | | | | |
| Voluntary income | 146,154 | 43,425 | 189,579 | 140,808 |
| Trading activities | 415 | - | 415 | 659 |
| Other | 7 | - | 7 | 177 |
| Gift Aid & investment income | 7,833 | - | 7,833 | 3,510 |
| Total incoming resources | 154,409 | 43,425 | 197,834 | 145,154 |
| Resources expended | 3 | | | |
| Charitable activities | 59,858 | 105,332 | 165,190 | 199,538 |
| Cost of generating voluntary income | 19,364 | 2,256 | 21,620 | 12,385 |
| Governance & administration | 3,699 | - | 3,699 | 6,688 |
| Total resources expended | 82,921 | 107,588 | 190,509 | 218,611 |
| Net incoming resources before transfers | 71,488 | (64,163) | 7,325 | (73,457) |
| Transfers | (40,752) | 40,752 | - | - |
| Gains and (losses) on currency exchange | 6 | (478) | (478) | 363 |
| Net movement in funds | 30,258 | (23,411) | 6,847 | (73,094) |
| Total funds brought forward | 35,207 | 40,125 | 75,332 | 148,426 |
| Total funds carried forward | 65,465 | 16,714 | 82,179 | 75,332 |

African Promise

Balance Sheet as at 31 March 2018

| | | Total Funds 2018 | Total Funds 2017 |
|---|-------|------------------------|------------------------|
| | Notes | £ | £ |
| Fixed assets | | - | - |
| Current assets | | | |
| Debtors | 8 | 6,000 | 10,705 |
| Cash at bank and in hand: | | | |
| CAF Bank Cafcash Account | | 66,502 | 58,179 |
| Pounds sterling cash | | 48 | 48 |
| Barclays Bank of Kenya account #1079831 | | 5,501 | 3,850 |
| Barclays Bank of Kenya account #1082433 | | 2,967 | 931 |
| Kenyan shillings in cash | | 1,161 | 1,619 |
| Total current assets | | 82,179 | 75,332 |
| Creditors: amounts falling due within one year | | - | - |
| Net assets | | 82,179 | 75,332 |
| Funds of the Charity | 7 | | |
| General 'free' funds | | 65,465 | 35,207 |
| Restricted funds | | 16,714 | 40,125 |
| Total funds | | 82,179 | 75,332 |

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

Trustee

Date

Mr Gary Shiels (Treasurer)

African Promise

Notes to the Accounts for the year ended 31 March 2018

1 Accounting Policies

The principal accounting policies are summarised below. They have been applied consistently throughout the period.

a Basis of accounting

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

b Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

c Incoming resources

Income is recognised in the period in which the charity is entitled to receive it and when the income can be quantified with reasonable accuracy.

Grants are recognised when the charity becomes beneficially entitled to them. Investment income is included when receivable. Incoming resources from tax reliefs are included at the same time as the gift to which they relate.

d Outgoing resources

The cost of charitable activities includes costs incurred by the charity in carrying out its activities and services. It includes costs directly attributed to those activities and a share of indirect costs necessary to support them.

Governance costs comprise the costs associated with meeting the constitutional and statutory requirements of the charity and include any costs associated with the preparation and examination of statutory accounts.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs which relate specifically to a particular activity are allocated wholly and directly, others are apportioned between different activities on an appropriate basis.

e Foreign exchange

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.

f Assets

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

2 Analysis of incoming resources

| | Unrestricted Funds 2018 £ | Restricted Funds 2018 £ | Total Funds 2018 £ | Total Funds 2017 £ |
|---|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Voluntary income | | | | |
| Trusts & foundations | 32,750 | 26,569 | 59,319 | 48,000 |
| Individual giving | 44,418 | 8,976 | 53,394 | 31,830 |
| Corporate | 24,835 | - | 24,835 | 20,344 |
| Kids4Kenya | 2,917 | - | 2,917 | - |
| Supporter fundraising | 36,503 | 5,482 | 41,985 | 23,276 |
| Events | 4,731 | 2,398 | 7,129 | 7,358 |
| Charity partnerships | - | - | - | 10,000 |
| | <u>146,154</u> | <u>43,425</u> | <u>189,579</u> | <u>140,808</u> |
| Income from trading activities | | | | |
| Merchandise sales | 415 | - | 415 | 659 |
| | <u>415</u> | <u>-</u> | <u>415</u> | <u>659</u> |
| Other | | | | |
| Returns | 7 | - | 7 | 177 |
| | <u>7</u> | <u>-</u> | <u>7</u> | <u>177</u> |
| Investment & Gift Aid income | | | | |
| Gift Aid | 7,833 | - | 7,833 | 3,442 |
| Bank interest | - | - | - | 68 |
| | <u>7,833</u> | <u>-</u> | <u>7,833</u> | <u>3,510</u> |

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Notes to the Accounts for the year ended 31 March 2018

3 Analysis of resources expended

| | Charitable activities 2018 £ | Fundraising costs 2018 £ | Governance costs 2018 £ | Total Funds 2018 £ | Total Funds 2017 £ |
|---|---------------------------------------|-----------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Project costs | | | | | |
| Infrastructure & construction projects | | | | | |
| Buildings & facilities | 62,496 | - | - | 62,496 | 108,589 |
| Sanitation and water projects | 10,997 | - | - | 10,997 | 2,491 |
| Landscaping & beautification | 2,668 | - | - | 2,668 | 3,441 |
| Utilities (electricity) | 1,238 | - | - | 1,238 | 657 |
| Other projects | - | - | - | - | 115 |
| Design & planning | 489 | - | - | 489 | 660 |
| Resources & learning | | | | | |
| Teacher salaries | 17,754 | - | - | 17,754 | 11,780 |
| Furniture & playgrounds | 3,748 | - | - | 3,748 | 5,685 |
| Educational resources | 3,214 | - | - | 3,214 | 6,311 |
| Educational programmes | 414 | - | - | 414 | 2,896 |
| Other resources | 124 | - | - | 124 | 18 |
| Pupil well-being & welfare | | | | | |
| Feeding programme | 42,024 | - | - | 42,024 | 37,576 |
| Emergency water supplies | 869 | - | - | 869 | 1,563 |
| Project support costs | | | | | |
| Staff costs | 4 11,843 | - | - | 11,843 | 10,571 |
| Travel, transport & accommodation | 4,568 | - | - | 4,568 | 5,855 |
| Office costs | 2,641 | - | - | 2,641 | 1,229 |
| Other | 103 | - | - | 103 | 101 |
| Costs of generating voluntary income | | | | | |
| Staff costs | - | 5,760 | - | 5,760 | 5,596 |
| Office costs | - | 240 | - | 240 | 445 |
| Travel, transport & accommodation | - | 91 | - | 91 | 1,753 |
| Services | - | 476 | - | 476 | 309 |
| Materials | - | 11 | - | 11 | 458 |
| Challenge events | - | 2,017 | - | 2,017 | 1,493 |
| Events | - | 2,256 | - | 2,256 | 1,813 |
| Merchandise | - | - | - | - | 283 |
| Advertising & website | - | 1,037 | - | 1,037 | 235 |
| Other | - | 9,732 | - | 9,732 | - |
| Administration | | | | | |
| Staff costs | - | - | 2,880 | 2,880 | 2,640 |
| Bank charges | - | - | 291 | 291 | 345 |
| Office costs | - | - | 215 | 215 | - |
| Governance | | | | | |
| Regulatory | - | - | 313 | 313 | 103 |
| Other | - | - | - | - | 3,600 |
| | 165,190 | 21,620 | 3,699 | 190,509 | 218,611 |

4 Support costs

Staff salaries are allocated 100% towards charitable activity for Kenya staff and 40% charitable activity, 40% fundraising and 20% governance for our Director's consultancy fees. All office and staff costs incurred in Kenya are allocated 100% towards project support costs.

Trustees expenses

The trustees did not take any expenses in the year.

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Notes to the Accounts for the year ended 31 March 2018

4 Support costs (cont.)

Fees for examination of the accounts

The independent examiner is making no charge for his examination.

5 Taxation

The charity is exempt from corporation tax on its charitable activities.

6 Gains and losses on currency exchange

| | 2018 £ | 2017 £ |
|---|------------|--------------|
| Opening cash and bank balances translated at closing rate for the previous year Kenyan shillings 826,760.30 @ 129.17 | 6,401 | 14,370 |
| Income less expenditure for the year translated at average rate for the year Kenyan shillings 536,931.85 @ 144.98 | 3,703 | (8,332) |
| Closing cash and bank balances translated at closing rate for the year Kenyan shillings 1,363,692.15 @ 141.66 | (9,627) | (6,401) |
| | <u>478</u> | <u>(363)</u> |

7 Movement in funds

| | Balance at 1 April '17 £ | Incoming resources £ | Transfers £ | Outgoing resources £ | Losses on currency £ | Balance at 31 Mar '18 £ |
|--------------------------------|--------------------------------|----------------------------|-----------------|----------------------------|----------------------------|-------------------------------|
| Restricted Funds | | | | | | |
| Project & programme management | 701 | - | 18,453 | 19,154 | - | - |
| Kiteghe Primary School | 1,316 | 5,232 | (4,975) | 1,573 | - | - |
| Feeding programme (2017) | 13,558 | 13,750 | 802 | 28,110 | - | - |
| Feeding programme (2018) | - | 6,760 | 11,230 | 13,914 | - | 4,076 |
| Kisimenyi Phase II | - | - | 11,455 | 11,455 | - | - |
| Makwasinyi kitchen | 6,990 | - | 10 | 7,000 | - | - |
| Teacher salaries | 5,264 | 451 | 12,069 | 17,754 | - | 30 |
| Furniture | - | - | 2,175 | 2,175 | - | - |
| Aspect Capital | 10,000 | - | (10,000) | - | - | - |
| Toilets4All | 59 | - | - | - | - | 59 |
| Water | 2,237 | - | - | 1,497 | - | 740 |
| Classrooms | - | 9,834 | - | 2,700 | - | 7,134 |
| Ngmabenyi Primary School | - | 5,000 | (326) | - | - | 4,674 |
| Carol Service | - | 2,398 | (142) | 2,256 | - | - |
| | <u>40,125</u> | <u>43,425</u> | <u>40,752</u> | <u>107,588</u> | <u>-</u> | <u>16,714</u> |
| Unrestricted funds | | | | | | |
| General funds | 35,207 | 154,409 | (40,752) | 82,921 | (478) | 65,465 |
| | <u>35,207</u> | <u>154,409</u> | <u>(40,752)</u> | <u>82,921</u> | <u>(478)</u> | <u>65,465</u> |
| | <u>75,332</u> | <u>197,834</u> | <u>-</u> | <u>190,509</u> | <u>(478)</u> | <u>82,179</u> |

Details of selected restricted funds

Kiteghe Primary School (formerly Baskets4Bread)

The charity continues to receive funds from our ambassadors Suzanne Payne and Carrie Hall Schalter which are restricted to this school. Transfers were made in the year to the feeding programme fund (£3,877) and teacher salaries fund (£2,152) to cover the costs of these respective programmes at the school. There was an incoming transfer of £1,053 from the unrestricted fund to bring the balance of the fund at the year end to nil.

African Promise

Notes to the Accounts for the year ended 31 March 2018

Feeding programme (2017 & 2018)

Donors in the year to the feeding programme fund included The Herrod Foundation (£12,569), Pignatelli Foundation (£2,500) and Souter Charitable Trust (£4,000). The funds were topped up with £8,010 from unrestricted funding and £4,023 from other restricted funds.

Aspect Capital

With the permission of the company, the opening balance of £10,000 held in this fund (the second half of a donation received in 2015/16) was transferred to the 'Unrestricted' fund.

Classrooms

This fund was credited with the proceeds of the BigGive Christmas Challenge 2017 including £2,500 from the Coles-Medlock Foundation.

Ngambenyi Primary School

In the year the charity received a grant of £5,000 from Hazel's Footprints Trust towards the cost of the feeding programme and teacher salaries at this school. Transfers of £146 and £179 were made to the 'Feeding programme (2018)' and 'Teacher salaries' funds respectively.

Carol Service

Incoming funds represent sponsorship received from individuals and companies to cover the costs of hosting our second annual Carol Service. A surplus of £142 was transferred to the 'Unrestricted' fund once all costs had been paid.

8 Debtors and Prepayments

| | Amounts falling due within one year | |
|---|-------------------------------------|---------------|
| | 2018 £ | 2017 £ |
| Ebury Partners forward contract deposit | 6,000 | 10,705 |
| | <u>6,000</u> | <u>10,705</u> |

African Promise

Independent examiner's report to the Trustees of African Promise

I report to the trustees on my examination of the accounts of African Promise (the Trust) for the year ended 31 March 2018.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material 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 Trust as required by section 130 of the Act;
or
- (2) the accounts do not accord with those records; or
- (3) the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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 accounts to be reached.

Name: John Southworth

Relevant professional qualification or body: FCA qualified

Member of the Institute of Chartered

Accountants in England and Wales (ICAEW)

Address: Southworth and Co Ltd, Treasures, Four Elms, Edenbridge, Kent, TN8 6NE

Date: 29 January 2019