

African Promise

Registered charity number 1122285

**Trustees' Report & Accounts
for the year ended 31 March 2021**

African Promise

Index to the Annual Accounts 2020-21

Legal, Reference and Administrative Information	1
Trustees' Report	
Structure, governance and management	2
Objectives & activities	2-3
Achievements & performance	3-4
Financial review	4
Statement of Trustees' Responsibilities	5
Risks & safeguarding	5
Trustees' declaration	5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Accounts	8-11
Independent Examiner's Report	12

African Promise

Legal and Administrative Information

Registered Address	97a Stormont Road Battersea London SW11 5EJ
Charity number	1122285
Trustees	Christopher Ott (Chairman) Gary Shiels (Treasurer) Katherine Lawson Nicola Coldman
Founding Director/Settlor	Charles Coldman
Principal bankers (<i>in the UK</i>)	CAF Bank Ltd Kings Hill West Malling Kent ME19 4JQ
Principal bankers (<i>in Kenya</i>)	Absa Group Ltd (formerly Barclays Bank Kenya) Voi Branch PO Box 720 Voi 80300 Kenya
Principal currency brokers	Ebury Partners UK Ltd Third Floor, 100 Victoria Street London SW1E 5JL Equals Group Plc Vintners' Place, 68 Upper Thames Street London EC4V 3BJ VFX Financial Plc Second floor, 65 London Wall London EC2M 5TU
Independent Examiner	John Southworth FCA Southworth and Co Ltd Chartered Accountants Four Elms Edenbridge Kent TN8 6NE

African Promise

Trustees' Report for the Annual Accounts 2020-21

The Trustees present their Report and Accounts for the year ended 31 March 2021.

Structure, Governance & Management

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.

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. There were no appointments or resignations during the year.

The Board of Trustees, in conjunction with the founding director, is responsible for the governance and strategic direction of the charity. The founding director is responsible for ensuring the charity delivers its objectives.

Objectives and Activities

Charitable purposes and public benefit

The principal objective of the charity is 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 by improving learning environments, enhancing pupil welfare and well-being, and removing barriers to accessing education.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the charity and when planning the future activities. The trustees assess how new activities planned will contribute to the overall aims and objectives they have set and periodically review existing activities to ensure ongoing public benefit.

Activities

The charity focuses on the following core activities across its partner schools:

- Improvements and upgrades to infrastructure including through the construction and renovation of classrooms, WASH (water, sanitation and hygiene) facilities, kitchen/dining halls, offices/staffrooms and more.
- The support of a school feeding programme to ensure all pupils receive a daily lunchtime meal during term-time.
- Provision of funding towards the salaries of much-needed extra teachers and support staff including cooks and watchmen.
- The ad-hoc supply of furniture and equipment, learning resources and materials, and funding for educational programmes and activities.

African Promise

Trustees' Report for the Annual Accounts 2020-21

To support these activities the charity engages in raising funds from the general public and from private organisations in the UK and elsewhere. The charity is registered with HMRC to claim Gift Aid on eligible donations.

Achievements and performance

The nature of the charity's activities in the year was impacted by the Covid pandemic which resulted in the closure of schools in Kenya from March until October 2020. During this period, unrestricted funds were diverted away from the lunch programme (which was suspended) and building projects towards the salaries of school-employed staff and towards helping create a Covid-safe environment in schools.

Notable achievements and highlights of the year included:

- Provision of £34,249 in cash to pay at least 50% of but, for a time and for some staff, up to 100% of salaries of around 75 school-employed teachers and support staff.
- The continuation of the redevelopment of an eighth partner school at Mkamenyi Primary on which expenditure to date now totals more than £118,500.
- Providing over 25,000 kg of food which was used to prepare approximately 157,500 lunchtime meals after the reopening of schools.
- A package of measures to help with Covid prevention including cleaning equipment, PPE, hand-washing stations, soap/hand-sanitiser, clean water, and waste incinerators.

The charity continued to oversee the implementation, management and administration of its activities and continued to work with local suppliers, contractors and tradespeople.

These activities helped to attract children to school in the first place (especially following the Covid-enforced closures), to keep them in school, and to create a safe and conducive learning environment.

Fund generation

Despite the challenges presented by the Covid pandemic and associated lockdowns/public health measures in the UK, which resulted in the cancellation of mass participation events such as the London Marathon and the charity's own events including an inaugural Golf Day and annual Carol Service, total income for the charity in the year of £166,453 still represented an increase on that of 2019/20 (£155,771).

Income continued to be generated from a broad and diverse range of sources including both new and existing donors, supporters and partners. Notable donations and activities in the year included:

- Grants totalling £28,850 from the Ratanben Zaverchand Kara (RZK) Foundation and £9,981 from the Geoff Herrington Foundation towards the redevelopment of Mkamenyi Primary
- A further £27,600 of donations from grant-making trusts including Hazel's Footprints Trust, The Hugh Symons Charitable Trust, The Souter Charitable Trust and The Mageni Trust.
- The donation of £4,800 of entry fees and sponsorship from the cancelled Golf Day.
- £16,000 donated by long-time corporate partner, Aspect Capital.
- A Christmas Prize Draw and a Spring Prize Draw which raised a total of £3,300 (net)

African Promise

Trustees' Report for the Annual Accounts 2020-21

- £1,716 raised by ambassadors David & Jenny Harkin including £1,000 from Flora's Small Charity competition
- £2,255 received from Kids4Kenya, the charity's independent 'sister' charity in the US; and
- The receipt of winding-up funds of £416 from The Karira Trust (number 1136656) who had identified us as a charity that shared similar objectives

The charity's day-to-day fundraising activities were overseen and implemented by the founding director, complemented by paid and pro-bono consultants providing ad-hoc and on-going support in areas such as PR and digital marketing.

Expenditure on fundraising and marketing activities in the year of £10,641 meant the charity returned £15.60 (2019/20: £11) for each £1 invested.

The Trustees would like to place on record their sincere thanks to all those who have supported the charity and its partner schools, their staff and pupils during these difficult times.

Financial Review

The Statement of Financial Activities to follow (page 6) shows the combined income and expenditure of the charity in the UK and Kenya for the year to 31st March 2021.

The accounts show total income for the year of £166,453 against expenditure of £192,543, resulting in a deficit of £18,701 after accounting for exchange rate gains. The year closed with total funds of £72,486, of which £41,068 was held in restricted funds (see *Note 8 in the Accounts for further breakdown*).

Reserves policy

It is our policy to maintain sufficient funds in reserve to enable core activities to continue over a period of 3 months should a shortfall in income occur and to take account of potential risks that may arise. The Trustees have determined this as approximately £9,000 for the forthcoming year. The charity held 'free' general funds of £31,418 at the year end and the Trustees therefore believe that the current level of 'free' reserves is satisfactory and furthermore that the scale of our current operations requires no change to the reserves policy.

Currency exchange

The Trustees had set the budgeted exchange rate for the year at 130KES:£1 and continued to use a mix of spot trades and forward currency contracts in order to achieve this. In the year the charity sold £152,500 in exchange for 20,703,000 KES, giving an actual average exchange rate of 135.76KES:£1. The charity used three currency brokers in the year for these purposes: Ebury, Equals and VFX.

African Promise

Trustees' Report for the Annual Accounts 2020-21

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.

Risks & safeguarding

The trustees have identified and assessed the major risks to which the charity is exposed, including internal fraud, currency market volatility, loss of key individuals and reliance on few funders, and systems, processes and measures have been established to mitigate those risks.

African Promise ensures statutory requirements concerning disclosure checks are met, maintains an up-to-date safeguarding policy and procedures, and provides safeguarding training to all staff and volunteers. There were no reported safeguarding incidents in the year.

Declaration

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

Trustee	Date
Christopher Ott Chairman	28 February 2022
Gary Shiels Treasurer	28 February 2022

African Promise

Statement of Financial Activities for the year ended 31 March 2021

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Incoming resources	2				
<i>Incoming resources from generated funds</i>					
Voluntary income		102,862	55,534	158,396	149,183
Gift Aid & investment income		8,057	-	8,057	6,588
Total incoming resources		<u>110,919</u>	<u>55,534</u>	<u>166,453</u>	<u>155,771</u>
Resources expended	3				
Charitable activities		26,612	150,140	176,752	160,464
Cost of generating voluntary income		10,641	-	10,641	14,143
Governance & administration		5,150	-	5,150	4,710
Total resources expended		<u>42,403</u>	<u>150,140</u>	<u>192,543</u>	<u>179,317</u>
Net incoming resources before transfers		68,516	(94,606)	(26,090)	(23,546)
Transfers		(59,511)	59,511	-	-
Gains and (losses) on currency exchange	6	1,183	6,206	7,389	2,483
Net movement in funds		<u>10,188</u>	<u>(28,889)</u>	<u>(18,701)</u>	<u>(21,063)</u>
Total funds brought forward		21,230	69,957	91,187	112,250
Total funds carried forward		<u><u>31,418</u></u>	<u><u>41,068</u></u>	<u><u>72,486</u></u>	<u><u>91,187</u></u>

African Promise

Balance Sheet as at 31 March 2021

	Notes	Total Funds 2021	Total Funds 2020
		£	£
Fixed assets		-	-
Current assets			
Debtors		-	-
Cash at bank and in hand:			
CAF Bank CafCash account #00016284		68,624	84,983
Pounds sterling cash		193	8
Barclays Bank of Kenya account #1079831		943	11,954
Barclays Bank of Kenya account #1082433		2,187	1,090
Kenyan shillings in cash		737	890
Total current assets		72,684	98,925
Liabilities	7	(198)	(7,738)
Net assets		72,486	91,187
Funds of the Charity	8		
General 'free' funds		31,418	21,230
Restricted funds		41,068	69,957
Total funds		72,486	91,187

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

Signature

Date

Gary Shiels
Treasurer

28/02/2022

African Promise

Notes to the Accounts for the year ended 31 March 2021

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 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Voluntary income				
Trusts & foundations	27,600	48,831	76,431	64,959
Individual giving	48,246	6,644	54,890	41,849
Corporate	16,950	-	16,950	10,000
Kids4Kenya	2,255	-	2,255	6,700
Supporter/community fundraising	3,585	-	3,585	19,278
Events	3,339	-	3,339	6,397
Other	887	59	946	-
	<u>102,862</u>	<u>55,534</u>	<u>158,396</u>	<u>149,183</u>
Investment & Gift Aid income				
Gift Aid	8,057	-	8,057	5,760
Interest	-	-	-	828
	<u>8,057</u>	<u>-</u>	<u>8,057</u>	<u>6,588</u>

3. Analysis of resources expended

	Charitable activities 2021 £	Fundraising costs 2021 £	Admin costs 2021 £	Governance costs 2021 £	Total Funds 2021 £	Total Funds 2020 £
On-going programme costs						
Feeding programme	13,494	-	-	-	13,494	32,479
Teacher & support staff salaries	34,249	-	-	-	34,249	19,681
One-off project costs						
Infrastructure & buildings	88,936	-	-	-	88,936	82,103
Resources & equipment	20,217	-	-	-	20,217	2,417
Learning programmes	-	-	-	-	-	1,508
Water supply	385	-	-	-	385	400
Support costs						
Staff costs	14,754	7,357	3,456	-	25,567	24,597
Travel, transport & accommodation	3,375	-	-	-	3,375	6,149
Office costs	1,274	40	1,113	-	2,427	2,214
Fundraising materials & services	-	713	-	-	713	1,005
Advertising, PR & website	-	2,299	-	-	2,299	885
Challenge events	-	444	-	-	444	1,420
Events	-	(212)	-	-	(212)	3,659
Bank charges	-	-	518	-	518	357
Regulatory & memberships	-	-	-	63	63	263
Other	68	-	-	-	68	180
	<u>176,752</u>	<u>10,641</u>	<u>5,087</u>	<u>63</u>	<u>192,543</u>	<u>179,317</u>

4. Support costs

Staff costs

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

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

	2021	2020
	£	£
Opening cash and bank balances translated at closing rate for the previous year KES 1,915,760.60 @137.5	13,933	4,812
Income less expenditure for the year translated at average rate for the year (KES 1,390,870.30) @135.76	(10,245)	9,381
Kenya expenditure at budgeted average rate less Kenya expenditure at actual average rate KES 22,093,870.30 @130 less KES 22,093,870.30 @135.76	(7,211)	(2,743)
Closing cash and bank balances translated at closing rate for the year Kenyan shillings 524,890.30 @135.76	(3,866)	(13,933)
	<u>(7,389)</u>	<u>(2,483)</u>

7. Liabilities

	2021	2020
	£	£
Golf Day entry fees and sponsorship	-	7,640
Challenge event refundable deposits	198	98
	<u>198</u>	<u>7,738</u>

Details

Golf Day entry fees and sponsorship

Our planned Golf Day was cancelled and entry fees and sponsorship were either refunded or, with permission, considered as a donation and transferred to the unrestricted fund as individual giving income.

Challenge event refundable deposits

A refundable entry deposit of £100 was received in the year from our London Marathon 2021 participant.

8. Movement in funds

	Balance at 1 Apr '20 £	Incoming resources £	Transfers £	Outgoing resources £	Losses on currency £	Balance at 31 Mar '21 £
Restricted Funds						
Project & programme management	198	-	19,274	19,472	(533)	533
Kiteghe Primary School	(215)	-	215	-	-	-
Feeding Minds	15,709	7,127	753	13,494	(587)	10,682
Teacher salaries	1,197	4,080	29,429	34,211	(1,487)	1,983
Toilets4All	1,814	341	2,910	4,998	(217)	284
Water4Schools	10	-	1,000	385	(17)	642
Classrooms	(61)	-	61	-	-	-
Ngambenyi Primary School	3,431	5,000	(4,080)	1,194	(44)	3,201
Mkamenyi	47,826	38,980	700	68,733	(2,988)	21,764
Mkamenyi (furniture)	-	-	9,300	7,654	(333)	1,979
Textbooks4All	24	-	(24)	-	-	-
Educational trips	-	7	(7)	-	-	-
Environmental trips	11	-	(11)	-	-	-
Right to Play	10	-	(10)	-	-	-
	<u>69,957</u>	<u>55,534</u>	<u>59,511</u>	<u>150,140</u>	<u>(6,206)</u>	<u>41,068</u>
Unrestricted funds						
General funds	21,230	110,919	(59,511)	42,403	(1,183)	31,418
	<u>21,230</u>	<u>110,919</u>	<u>(59,511)</u>	<u>42,403</u>	<u>(1,183)</u>	<u>31,418</u>
	<u>91,187</u>	<u>166,453</u>	<u>(0)</u>	<u>192,543</u>	<u>(7,389)</u>	<u>72,486</u>

Details of selected restricted funds

Feeding Minds

Incoming resources to the fund included £4,000 from the Souter Charitable Trust. There were incoming transfers of £753 from the Ngambenyi Primary School to cover the cost of food provided to that school in the year.

Ngambenyi Primary School

The charity receives an annual grant of £5,000 from *Hazel's Footprints Trust* towards the running costs of Ngambenyi Primary. Transfers of £753 and £3,326 were made to the 'Feeding Minds' and 'Teacher salaries' funds respectively to cover the costs of these programmes at the school.

Mkamenyi

Income included £28,850 from the RZK Foundation and £9,981 from the Geoff Herrington Foundation. There were incoming transfers of £10,000 from the 'Unrestricted' fund. Outgoing transfers of £9,300 were made to the 'Mkamenyi (furniture)' fund which included £6,600 and £2,700 from the RZK Foundation and Geoff Herrington Foundation donations respectively.

African Promise

Independent Examiner's Report for Annual Accounts 2020-21

I report to the trustees on my examination of the accounts of African Promise (the Trust) for the year ended 31 March 2021.

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: 28 February 2022