

Charity Registration No. 1061622

Company registration No. 03341342 (England and Wales)

THE BRITISH INSTITUTE IN EASTERN AFRICA
REPORT OF THE GOVERNING COUNCIL AND ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2021

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

Contents

Reference and Administrative Information	1
Report of the Governing Council	2 - 5
Independent Auditors Report	6 - 8
Consolidated Statement of Financial Activities	9
Consolidated Balance Sheet	10
Charitable Company Balance Sheet	11
Consolidated Statement of Cash Flows	12
Notes to the Accounts	13 - 29

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

REPORT OF THE GOVERNING COUNCIL

FOR THE YEAR ENDED 31 MARCH 2021

Company Registered Number:	03341342
Charity Registered Number	1061622 (Registered in England and Wales)
Principal address and Registered Office	10 Carlton House Terrace London SW1Y 5AH
Bankers	CAF Bank 25 Kings Hill Avenue Kings Hill West Malling Kent, ME19 4JQ
Auditors	WMT Chartered Accountants Verulam Point Station Way St Albans, Herts, AL1 5HE
Members of the Governing Council/Directors	
Professor Justin Willis (President)	Appointed 3 Nov 2021
Dame Professor Henrietta Moore DBE, FBA, FAcSS	Resigned 3 Nov 2021
Professor Peter Mitchell FSA (Hon Secretary)	
Mr Robert Tench (Hon Treasurer)	
Dr Mpalive-Hangson Msiska	
Dr Iwaleso Omosalewa Salami	
Dr Pedram Rowhani	
RT Hon Mark Jonathon Mortlock Simmonds	
Dr Michael Jennings	
Professor Paul Lane	
Dr Gabrielle Lynch	
Dr Stephanie Wynne-Jones	
Dr Ceri Ashley	
Professor Victor Murinde	
Dr Reginald Cline-Cole	
Dr Matthew Davies	
Sir Jeffrey James KBE, CMG	
Dr Adam Branch	
Professor Emma Hunter	
Dr George Haandishe Karekwaivanane	
Professor Ambreena Manji	
Dr Lynne Muthoni Wanyeki	
Director	Dr Jane Humphris
Website	www.biea.ac.uk

THE BRITISH INSTITUTE IN EASTERN AFRICA
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REPORT OF THE GOVERNING COUNCIL

FOR THE YEAR ENDED 31 MARCH 2021

The Members of Council, who are also directors of the company for the purposes of the Companies Act, present their report together with the audited financial statements of the company for the year ended 31 March 2021. The financial statements have been prepared in accordance with the accounting policies as set out in the notes to the financial statements, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Second Edition) and comply with the governing document.

This report is a directors' report as required by the Companies Act 2006.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The British Institute in Eastern Africa is a company limited by guarantee and not having a share capital, incorporated in England and Wales under Registration No 03341342. The Institute is also a charity registered in England and Wales, Registration No 1061622.

The Institute's research centre and library is located in Nairobi, managed and staffed there by our subsidiary organisation BIEA Kenya which is constituted as a Kenyan Non-Governmental Organisation (NGO).

The Institute is governed by its Memorandum and Articles of Association, as last amended on 25 November 2003.

Members of Council and their interests

The members of the Governing Council are listed on page 1.

The members of Council do not have any interests which are required to be disclosed under the Companies Act 2006. No commercial material contracts subsisted during the period in which any member of Council had an interest.

Under the terms of the Memorandum and Articles of Association, the Council shall consist of Honorary Officers (the President, the Vice-President, the Honorary Treasurer and the Honorary Secretary), up to fifteen other persons elected by the Institute's members and up to three other persons co-opted by the Council. All hold the role of 'Director' under Companies House and Charity Commission definitions but are also referred to as Trustees and 'The Governing Council' in the Memorandum and Articles of Association. All the Honorary Officers and elected members of Council shall retire from office at each annual general meeting following their appointment, but provided they have indicated their willingness to act and the Institute has not filled the vacancy, they are deemed to have been reappointed unless a resolution for the reappointment is put to the Annual General Meeting and lost.

Members of Council are selected as being knowledgeable in some field of study, or holding some expertise, relevant to the Institute's work. On joining the Council, new members receive an information pack which includes the Institute's Memorandum and Articles of Association, and the London Secretary circulates relevant information produced by the Charities' Commission regarding the responsibilities of charity Trustees.

The Council has final authority over all decisions in the Institute, the financial aspects of which are exercised through the approval and monitoring of the annual budget. On occasion, owing to the cycle of meetings, action outside the budget may need to be taken in advance of formal approval. Where circumstances require rapid action, the Officers may approve such action; this must be reported to Council at the first opportunity. The Director, in collaboration with either the Treasurer or one of the Vice Presidents has authority to make purchases or enter into contracts outside the budget to a value not exceeding two thousand pounds and to employ temporary and ancillary staff. Larger payments outside the budget and permanent employment of staff must receive prior approval from Council.

The Council has introduced a formal risk management process to assess business risks and implement risk management strategies. This involves identifying the types of risk the Institute faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. As part of this process the Council reviews the adequacy of the Institute's internal controls. The principal risks identified from this process, together with their planned mitigations are:

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REPORT OF THE GOVERNING COUNCIL

FOR THE YEAR ENDED 31 MARCH 2021

Exchange rate fluctuations between the Kenyan Shilling and the Pound Sterling. All expenditure is monitored on a monthly basis. In the event of significant adverse exchange rate movements, Kenyan budgets will be adjusted and variable costs cut so that they are accommodated within the net sterling funding available to us.

Terrorism events, crime and other physical security threats in Nairobi. We have already put in place a high level of security measures including guards, fencing and targeted staff training. We keep the situation under constant review and have close communications with both the Kenyan authorities and the British High Commission concerning ongoing political developments, and are ready to take further emergency measures as required.

Covid-19 & Brexit. Covid resulted in home working just before the previous year-end and continues to be a significant factor going forward. There has been a considerable loss of revenue from third parties since this time. This is not expected to change until the resumption of international travel to more normal levels. It is not expected that Brexit will impact the Institute, except if it constrains the government funding in the longer term.

The Council is pleased to report that the Institute's internal financial controls in particular conform with guidelines issued by the Charity Commission.

The Director and Kenyan Director comprise the key management team who manage the Institute on behalf of the Trustees. The Director is a mid-career academic formerly at University College London directly employed by the Institute. The Kenyan Director is a Kenyan academic recruited as a direct employee of the Institute. Her remuneration level was set through our review of the market remuneration rates for comparable academic roles in Nairobi at the time of her recruitment.

OBJECTIVES AND ACTIVITIES

The Institute promotes research in the humanities and social sciences across eastern Africa, together with the dissemination of knowledge in these fields.

The Council has identified four aims which are integral to this role: (1) direct research and the facilitation of research; (2) the building of the research community; (3) the development and facilitation of research collaborations; and (4) dissemination of the results of research and public engagement.

The Institute issued two calls for proposals for thematic seed-corn grants in the following areas: Retelling the Past; Knowing Environments; Citizens and Science; Technologies of Politics; Urban Lives; Epidemics, pandemics and epizootics. Grant proposals are considered by a committee consisting of two members of the research committee, the Director, Assistant Director and one or more research fellows, on behalf of the Governing Council. Several other types of research grants were also awarded throughout the year, including ad hoc research support.

ACHIEVEMENTS AND PERFORMANCE

Working in collaboration with colleagues from eastern Africa and with scholars from around the world, the Institute supported and carried out innovative research across the wider region and disseminated the results of research into a wide range of topics including land ownership, archaeology, law, politics and agricultural development. The Institute assisted visiting researchers by providing advice on research projects and by providing appropriate equipment. A growing number of researchers used our library and were assisted by the Institute's graduate attachées during their fieldwork. In addition, research projects run by academics from the UK and elsewhere were affiliated to and supported by the Institute during the year. A busy programme of dissemination events took place at the Nairobi base this year, including public lectures, workshops and book launches. Our activities and outcomes are measured in a full set of Key Performance Indicators, which are agreed with our principal sponsors the British Academy and the UK Department for Business, Energy and Industrial Strategy. These include the numbers of research projects and papers, research events such as conference and seminars, numbers of scholars assisted, usage of our library and key measures of cost effectiveness. Full details of the Institute's activities during the year are provided in our separately published Annual Review.

THE BRITISH INSTITUTE IN EASTERN AFRICA
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REPORT OF THE GOVERNING COUNCIL

FOR THE YEAR ENDED 31 MARCH 2021

FINANCIAL REVIEW

- The Institute's principal source of funds remains the British Academy, via its British International Research Institutes (BIRI) grant. We received the core grant totaling £421,447 plus a £23,000 contingency grant and a further Strategic Development Grant of £93,690.
- Total gross incoming resources amounted to £794,854 compared to £633,346 in the previous year. This included specific restricted grant monies (note-16) totaling £144,921 compared to £nil in the prior year. The Institute's other income, excluding the British Academy and other restricted grants, amounted to £85,139 compared with £103,939 in the previous year.
- Resources expended during the year totaled £689,303 compared with £626,818 in the previous year.
- The surplus for the year before investment gains was £105,551 and we made a gain on investments of £73,779, together resulting in a net increase in funds of £179,330. Our Net Assets at the end of the year were £817,311, an increase of 28% over the previous year. These were represented by £122,095 of Unrestricted General Funds, £686,197 of Unrestricted Designated Funds and £9,019 of Restricted Funds.
- The BIEA Council keeps under review the level of general reserves which the Institute needs to continue to operate within its environment. At 31 March 2021 total reserves amounted to £817,311 including £9,019 restricted funds. Total funds also include £686,197 which is a designated fund for the general use of the charity. The majority of our reserves are invested in the broadly diversified Sarasin & Partners Alpha Common Investment Fund for Endowments, whose investment policies we share.

PLANS FOR FUTURE PERIODS

The BIEA has committed itself to our longer-term ambition to ensure that we fully realize BIEA's potential – as the only UK-funded centre for research in humanities and social sciences in Africa - to support research across the continent. Over the last ten years it has broadened its disciplinary reach across the social sciences and humanities, and it has done so through a deliberately targeted strategy in terms of its thematic research grants, its attachment scheme, and its fellowship schemes, as well as the research events, workshops and conferences that it facilitates and, equally importantly, its publications portfolio and strategy. The establishment of the Journal of Eastern African Studies (JEAS) is a particular success, complementing the BIEA's flagship east African monograph series and the well-established journal *Azania: Archaeological Research in Africa*. JEAS continues to grow from strength to strength, demonstrating how the BIEA has convincingly and credibly spread its interdisciplinary reach across the social sciences and humanities over the last decade. Over the next ten years, the BIEA's priorities are to continue forging new productive links, networks and partnerships across the continent as a whole, beyond the wider eastern African region in which it is already very well established. It is a very appropriate time to take on this challenge because the shape of international research partnerships, agendas and priorities in African Studies are changing, both with the growing influence of BRIC countries, and their growing interest in Africa, and as African scholars increasingly seek to forge new lines of collaboration across the continent first, and with BRIC countries second, ahead of older country-specific linkages with European and North American partners. The BIEA's location at one of the continent's key regional hubs, and with its widely recognised and respected history at the heart of scholarship on Africa, means it is uniquely placed to promote the continued development of UK research in and on Africa for future decades.

EVENTS SINCE THE YEAR END

Other than the continuing impacts of Covid-19 (see Risks above), no events have occurred since the balance sheet date which, in the opinion of the Governing Council, need to be drawn to the attention of the members.

PUBLIC BENEFIT

The Institute has paid due regard to the guidance produced by the Charity Commission in relation to the public benefit requirement.

THE BRITISH INSTITUTE IN EASTERN AFRICA
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REPORT OF THE GOVERNING COUNCIL

FOR THE YEAR ENDED 31 MARCH 2021

STATEMENT OF GOVERNING COUNCIL'S RESPONSIBILITIES

The Council meets on a regular basis to manage the affairs of the charity.

The members of Council (who are also directors of The British Institute in Eastern Africa for the purposes of company law) are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

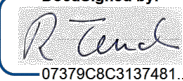
Company law requires the members of Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then applied them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepared the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The members of Council are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members of Council confirm that, so far as they are aware, there is no relevant audit information of which the charity's auditors are unaware. They have taken all the steps that they ought to have taken as members of Council in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Advantage has been taken of the exemptions available to small companies in the preparation of this report.

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Robert Tench
Honorary Treasurer



Justin Willis
President

Dated: 21 December 2021

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)
YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of The British Institute in Eastern Africa (the parent 'charitable company') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated and Charity Balance Sheets, Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)
YEAR ENDED 31 MARCH 2021

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees' were not entitled to take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

- Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, and Charity Law.
- Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the charity and therefore may have a material effect on the financial statements include compliance with the charitable objectives, public benefit, Kenyan NGO & other regional law, safeguarding and health & safety legislation.

Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and the Trustees as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of Trustee meeting minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF
THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)
YEAR ENDED 31 MARCH 2021

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Opinion on other matter as required by British Academy grant letter

In our opinion, in all material aspects, the grant payments from the British Academy have been applied in accordance with, and for the purposes set out in, the Agreement.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Elizabeth Irvine (Senior Statutory Auditor)
For and on behalf of WMT

Chartered Accountants and Statutory Auditors

22 December 2021
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Verulam Point
Station Way
St Albans
Hertfordshire
AL1 5HE

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING AN INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2021 £	Total Funds 2020 £
Income and endowments from;						
Donations and legacies:						
Grants	3a	26,657	-	683,058	709,715	529,407
Subscriptions		4,747	-	-	4,747	6,721
Charitable activities:						
Publications		17,075	-	-	17,075	11,350
Guest house income		588	-	-	588	9,151
Other trading activities:						
Rent		45,926	-	-	45,926	53,106
Vehicle income		900	-	-	900	3,768
Investment income:	3b					
Interest on bank		184	-	-	184	117
Investment income		-	12,619	-	12,619	12,312
Other income:						
Miscellaneous		3,100	-	-	3,100	7,414
Total		<u>99,177</u>	<u>12,619</u>	<u>683,058</u>	<u>794,854</u>	<u>633,346</u>
Expenditure on;						
Raising funds	4	15,829	-	7,759	23,588	20,745
Charitable activities	4	63,078	2,586	600,051	665,715	606,073
Total		<u>78,907</u>	<u>2,586</u>	<u>607,810</u>	<u>689,303</u>	<u>626,818</u>
Realised gains/(losses) on investments		-	-	-	-	-
Unrealised gains/(losses) on investments	10	-	73,779	-	73,779	(17,796)
Net income /(expenditure)		<u>20,270</u>	<u>83,812</u>	<u>75,248</u>	<u>179,330</u>	<u>(11,268)</u>
Transfers between funds		69,877	-	(69,877)	-	-
Total movement in funds		<u>90,147</u>	<u>83,812</u>	<u>5,371</u>	<u>179,330</u>	<u>(11,268)</u>
Total funds brought forward		31,948	602,385	3,648	637,981	649,249
Total funds carried forward		<u>122,095</u>	<u>686,197</u>	<u>9,019</u>	<u>817,311</u>	<u>637,981</u>

THE BRITISH INSTITUTE IN EASTERN AFRICA
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CONSOLIDATED BALANCE SHEET

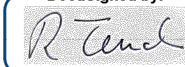
AS AT 31 MARCH 2021

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible fixed assets	9		299,452		237,269
Investments	10		435,519		349,131
			<u>734,971</u>		<u>586,400</u>
CURRENT ASSETS					
Debtors	11	122,266		38,033	
Cash at bank and in hand		<u>374,294</u>		<u>391,112</u>	
		496,560		429,145	
Creditors: amounts falling due within one year	12	<u>(303,042)</u>		<u>(281,409)</u>	
NET CURRENT ASSETS			<u>193,518</u>		<u>147,736</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			928,489		734,136
PROVISIONS FOR LIABILITIES	13		(111,178)		(96,155)
NET ASSETS			<u>817,311</u>		<u>637,981</u>
FUNDS					
Unrestricted General fund			122,095		31,948
Unrestricted Designated funds	15		686,197		602,385
Restricted funds	16		9,019		3,648
TOTAL FUNDS			<u>817,311</u>		<u>637,981</u>

Under Companies Act 2006, s454, on a voluntary basis, the trustees can amend these financial statements if they subsequently prove to be defective.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

Approved by the Governing Council on 21 December 2021 and signed on its behalf by

DocuSigned by:

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Robert Tench
Hon Treasurer



Justin Willis
President

Company registration no. 03341342
Charity registration no. 1061622

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

CHARITABLE COMPANY BALANCE SHEET

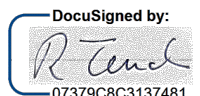
AS AT 31 MARCH 2021


	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible fixed assets	9		284,523		222,133
Investments	10		435,519		349,131
			<u>720,042</u>		<u>571,264</u>
CURRENT ASSETS					
Debtors	11	81,533		4,739	
Cash at bank and in hand		<u>317,241</u>		<u>284,985</u>	
		398,774		289,724	
Creditors: amounts falling due within one year	12	<u>(245,328)</u>		<u>(176,139)</u>	
NET CURRENT ASSETS			<u>153,446</u>		<u>113,585</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			873,488		684,849
PROVISIONS FOR LIABILITIES	13		(26,353)		(46,208)
NET ASSETS			<u>847,135</u>		<u>638,641</u>
FUNDS					
Unrestricted General fund			151,919		32,608
Unrestricted Designated funds	15		686,197		602,385
Restricted funds	16		9,019		3,648
TOTAL FUNDS			<u>847,135</u>		<u>638,641</u>

Under Companies Act 2006, s454, on a voluntary basis, the trustees can amend these financial statements if they subsequently prove to be defective.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with FRS102 SORP.

Approved by the Governing Council on 21 December 2021 and signed on its behalf by

DocuSigned by:

 07379C8C3137481...
 Robert Tench
 Hon Treasurer


 Justin Willis
 President

Company registration no. 03341342
Charity registration no. 1061622

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
Cash flows from operating activities		
Net (expenditure)/ income for the year	179,330	(11,268)
Adjustments for:		
Depreciation on equipment	22,361	21,477
Investment income	(12,619)	(12,312)
(Gains)/losses on investments	(73,779)	17,703
(Increase)/reduction in debtors	(84,233)	(3,740)
Increase/(reduction) in creditors	21,634	89,353
Increase/(reduction) in provisions	15,023	(2,369)
Net cash provided/ (used) in operating activities	<u>67,717</u>	<u>98,844</u>
Cash flows from investing activities		
Purchase of investments	(22,210)	(5,797)
Sale of investments	-	-
Purchase of tangible fixed assets	(84,544)	(21,306)
Investment income	12,619	12,312
Net cash provided/ (used in) investing activities	<u>(94,135)</u>	<u>(14,791)</u>
Net increase / (decrease) in cash and cash equivalents	(26,418)	84,053
Cash and cash equivalents at the beginning of the year	400,712	316,659
Cash and cash equivalents at the end of the year	<u><u>374,294</u></u>	<u><u>400,712</u></u>
Cash and cash equivalents is made up of the following:		
Cash at bank and in hand	374,294	391,112
Cash held as part of investments	-	9,600
Total	<u><u>374,294</u></u>	<u><u>400,712</u></u>

Analysis of changes in net debt	At 1.4.20	Cash flows	Non cash	At 31.3.21
	£	£	changes	£
			£	
Cash at bank and in hand	<u>400,712</u>	<u>(26,418)</u>	<u>-</u>	<u>374,294</u>

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

1 ACCOUNTING POLICIES

a) Basis of accounting

The Institute meets the definition of a public benefit entity under FRS 102. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets, in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) (Second Edition) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s). Advantage has been taken of the exemption in paragraph 1.12 of FRS102 not to prepare a parent company cash flow statement.

The preparation of financial statements in compliance with SORP 2015 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the accounting policies (see note 2).

The following principal accounting policies have been applied:

b) Incoming resources

All income is recognised once the Institute has entitlement to the income, it is probable that it will be received and the amount receivable can be measured reliably.

All income is gross without deduction for related expenditure.

Investment income is recognised when receivable based on notification from the investment managers.

Grants for general support, research, scholarships or fixed assets are recognised on a receivable basis and are deferred only when the donor has imposed pre-conditions on the use of the grant.

All legacies and donations are allocated between unrestricted, restricted and endowment funds, depending on conditions imposed by the donors.

c) Resources expended

Expenditure is recognised on an accruals basis as liabilities are incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it related.

Cost of generating funds comprise of the costs associated with attracting voluntary income.

Charitable expenditure comprised 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. Support costs have been allocated to activities on a basis consistent with the use of the resources.

Grants payable to students are recognised at the earlier of the date of payment or the date when an unconditional contractual obligation is entered into. Grants are determined by the relevant committees in line with the grant making policy of the Institute.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Institute and include the audit fees and costs linked to the strategic management of the Institute.

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

1 ACCOUNTING POLICIES (continued)

d) Tangible fixed assets

Tangible fixed assets, other than heritage assets, are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives. Depreciation is provided on the following basis:

Leasehold land and buildings	Over the period of the lease
Motor vehicles	33.33 %
Computer equipment, fixtures and fittings	25 %

The library is considered to be a heritage asset; held and maintained principally for its contribution to knowledge and culture, and as such is not valued in the balance sheet as there is not reliable historical information on its cost and a conventional valuation would be overly onerous to conduct and given the nature and uniqueness of some of the items held might well prove to be arbitrary. The cost of books purchased during the year are capitalised if their individual cost is above the capitalisation limit. All other book purchases are charged to the income statement. Further details are given in note 9.

e) Fixed asset investments

Investments are carried at market value with any unrealised gains and losses being included in the Statement of Financial Activities and allocated between funds.

The cost of management of the investments has been charged to the Statement of Financial Activities.

f) Debtors

Short term debtors are measured at transaction price, less any impairment losses.

g) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and demand deposits with banks.

h) Short term creditors

Short term creditors are measured at the transaction price.

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

1 ACCOUNTING POLICIES (continued)

i) Provision for liabilities

Provisions are made where an event has taken place that gives the institute a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the SoFA in the year that the institute becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

j) Pensions

Staff on UK-based contracts are offered membership of the Universities Superannuation Scheme (USS).

The assets of the scheme are held in a separate trustee-administered fund. Because of the mutual nature of the scheme, the assets are not attributed to individual institutions and a scheme-wide contribution rate is set. The institution is therefore exposed to actuarial risks associated with other institutions' employees and is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. As required by Section 28 of FRS 102 "Employee benefits", the institution therefore accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme. Since the institution has entered into an agreement (the Recovery Plan) that determines how each employer within the scheme will fund the overall deficit, the institution recognises a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) with related expenses being recognised through the profit and loss account.

k) Financial instruments

The Institute only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as debtors and creditors.

Financial instruments are initially measured at transaction value. They are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the SoFA.

l) Foreign currency translation

The financial statements are presented in Sterling, which is also the functional currency of the Institute.

The Institute has income and expenditure in sterling and non-sterling currencies and consequently maintains bank accounts in various currencies to facilitate this. The Trustees' policy is to exchange sterling currency only when the income is certain and the expenditure is foreseeable. Foreign currency transactions are translated into the functional currency using the exchange rate at the date of the transaction. At each period end foreign currency monetary items are translated using the closing rate.

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

1 ACCOUNTING POLICIES (continued)

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the SoFA.

Foreign exchange gains and losses that relate to monetary assets and liabilities are presented separately on the face of the SoFA within income or expenditure.

m) Funds

Unrestricted funds are funds which the trustees are free to use for any purpose in furtherance of the charities objectives. Unrestricted funds include designated funds which the trustees have, at their discretion, set aside for specific purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by the donor.

n) Going concern

The trustees are not aware of material uncertainties regarding going concern.

o) Basis of consolidation

The financial statements consolidate the results of the UK charitable company and its subsidiary organisation BIEA Kenya on a line by line basis.

2 JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. The nature of estimation means the actual outcomes could differ from those estimates.

The key source of estimation uncertainty that could have an impact on the financial statements relates to the decision to not capitalise the heritage asset. Note 1d) above gives the explanation for this while note 9 provides more information about the asset itself.

FRS 102 makes the distinction between a group plan and a multi-employer scheme. A group plan consists of a collection of entities under common control typically with a sponsoring employer. A multi-employer scheme is a scheme for entities not under common control and represents (typically) an industry-wide scheme such as Universities Superannuation Scheme. The accounting for a multi-employer scheme where the employer has entered into an agreement with the scheme that determines how the employer will fund a deficit results in the recognition of a liability for the contributions payable that arise from the agreement (to the extent that they relate to the deficit) and the resulting expense in profit or loss in accordance with section 28 of FRS 102. The trustees are satisfied that Universities Superannuation Scheme meets the definition of a multi-employer scheme and has therefore recognised the discounted fair value of the contractual contributions under the recovery plan in existence at the date of approving the financial statements.

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

3 INCOMING RESOURCES

	2021 Unrestricted £	2021 Unrestricted (Designated) £	2021 Restricted £	2021 Total £	2020 Total £
a) Grants and donations					
British Academy grants	-	-	538,137	538,137	467,467
Other grants and donations	26,657	-	144,921	171,578	61,940
	<u>26,657</u>	<u>-</u>	<u>683,058</u>	<u>709,715</u>	<u>529,407</u>
b) Investment Income					
Bank interest	184	-	-	184	117
Income from investments	-	12,619	-	12,619	12,312
	<u>184</u>	<u>12,619</u>	<u>-</u>	<u>12,803</u>	<u>12,429</u>

Incoming resources are substantially generated within the UK.

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

4 EXPENDITURE ANALYSIS

	Unrestricted General Fund £	Unrestricted Designated Funds £	Restricted Funds £	2021 Total £	2020 Total £
Cost of raising funds:					
Publication costs	15,829	-	3,159	18,988	18,309
Website upgrade	-	-	4,600	4,600	2,436
	<u>15,829</u>	<u>-</u>	<u>7,759</u>	<u>23,588</u>	<u>20,745</u>
Charitable activities:					
Direct costs:					
Conference and workshop	-	-	29,678	29,678	32,719
Fieldwork and research costs	2,980	-	52,639	55,619	54,253
Studentship & fellowship grants	-	-	9,657	9,657	17,422
Salaries and allowances	11,593	-	259,296	270,889	305,395
Library expenses	-	-	-	-	3,090
Aliph project expenses	-	-	139,550	139,550	-
Support costs:					
Rent and utilities	845	-	1,268	2,113	13,917
Repairs and maintenance	762	-	7,867	8,629	9,469
General expenses	6,193	-	41,245	47,438	49,141
Transport and travel	6,892	-	-	6,892	9,714
Depreciation	6,358	2,586	13,417	22,361	21,477
Security	5,575	-	8,362	13,937	15,208
Provident funds	22,067	-	11,882	33,949	11,342
Foreign exchange (gain) / loss	(438)	-	-	(438)	(4,257)
Other costs	-	-	-	-	20,800
Governance costs:					
Staff costs	225	-	226	451	6,005
Audit and accountancy fees	-	-	24,924	24,924	31,223
Trustee expenses	-	-	-	-	3,260
Legal fees	26	-	40	66	5,895
	<u>63,078</u>	<u>2,586</u>	<u>600,051</u>	<u>665,715</u>	<u>606,073</u>

Included within fieldwork/research costs are grants awarded to 30 (2020 : 32) individuals for specific periods.
The amounts shown within studentships and fellowships related to grants awarded to 14 (2020 : 7) individuals during the year.

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

5 STAFF COSTS

	2021	2020
	£	£
Salaries and allowances	272,485	292,661
National insurance	4,322	6,104
Pension contribution	(5,466)	12,634
Provident fund for local Kenya staff	33,949	11,342
	<u>305,289</u>	<u>322,741</u>
Number of staff - Group	<u>19</u>	<u>18</u>
Number of staff – UK	<u>2</u>	<u>2</u>

No employees earned a salary over £60,000 per annum in this or the prior year.

The Director and Kenyan Director manage the institution on behalf of the council and represent key management. The total remuneration including all salaries, pension contributions, allowances and other costs was £78,157 (2020: £89,792).

6 GOVERNING COUNCIL AND RELATED PARTY TRANSACTIONS

The members of the Governing Council received no remuneration in respect of their duties. One (2020: 11) were reimbursed expenses totalling £168 during the year (2020: £3,260) in relation to travel and accommodation. No donations from members of Governing Council (2020: None). One research grant for £1,000 (2020 :£nil) was given to a member of the council.

The Institute's research centre and library is located in Nairobi, managed and staffed there by our subsidiary organisation BIEA Kenya which is constituted as a Kenyan Non-Governmental Organisation (NGO). During the year the UK transferred 40million Kenyan Shillings (2020: 43million Kenyan Shillings) to BIEA Kenya to fund operations.

There were no other related party transaction in the period (2020: None).

7 AUDITORS AND ACCOUNTANTS' REMUNERATION

The auditors charged £24,924 (2020: £24,731) in respect of the audit of which £5,119 (2020: £10,893) related to the audit of the branch in Nairobi. Accounting charges paid to the UK auditors amounted to £6,000 (2020: £6,000) during the year. In addition, they were paid £492 (2019: £480) in relation to payroll services.

8 GROUP FINANCIAL STATEMENTS

The financial statements consolidate the results of the Institute and its subsidiary BIEA Kenya. A separate Statement of Financial Activities and Statement of Cash Flows is not presented for the UK charitable company because the charity has taken advantage of the exemption in S408 of the Companies Act 2006. The charitable company's net movement in funds for the year amounted to a surplus of £208,494 (2020 : deficit of £10,608).

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

9 TANGIBLE FIXED ASSETS

Group	Leasehold Land and Buildings	Computer Equipment, Fixtures Fittings & Equipment	Motor Vehicles	Total
	£	£	£	£
Cost				
Balance brought forward	335,494	137,793	114,359	587,646
Additions	69,933	14,611	-	84,544
At 31 March 2021	405,427	152,404	114,359	672,190
Depreciation				
Balance brought forward	115,041	120,977	114,359	350,377
Charge for year	10,923	11,438	-	22,361
At 31 March 2021	125,964	132,415	114,359	372,587
Net book value				
At 31 March 2021	279,463	19,989	-	299,452
At 31 March 2020	220,453	16,816	-	237,269
Company	£	£	£	£
Cost				
Balance brought forward	335,494	10,992	-	346,486
Transfers	-	-	-	-
Additions	69,933	5,356	-	75,289
At 31 March 2021	405,427	16,348	-	421,775
Depreciation				
Balance brought forward	115,041	9,312	-	124,353
Transfers	-	-	-	-
Charge for year	10,923	1,977	-	12,900
At 31 March 2021	125,964	11,288	-	137,252
Net book value				
At 31 March 2021	279,463	5,060	-	284,523
At 31 March 2020	220,453	1,680	-	222,133

During the year ended 31 March 2000 the Haycock Memorial Fund administered by the Institute acquired a 46-year leasehold interest (expiring on 31 July 2046) in the property occupied by the Institute.

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

9 TANGIBLE FIXED ASSETS (Continued)

During March 2010 the property in Nairobi was valued by Knight Frank using the Investment method of valuation. The market value at the date of valuation was £75 million Kenyan Shillings which was approximately £640,000. This valuation is not incorporated into these accounts.

The Institute holds a library of books in Nairobi which are considered to be a heritage asset. No professional valuation of the library has been made and Governing Council consider it is not cost effective to obtain such a valuation. As a result, no value for the library has been included in these accounts. The costs borne by the Institute in forming the library of books in Nairobi are written off annually as they arise unless there are material acquisitions.

The Institute maintains at its Nairobi base a research and reference library, unparalleled in the region, with holdings of books, journals, off-prints, theses, and “grey” literature covering African (and especially eastern African) history, archaeology, ethnography and related subjects. The Library currently holds approximately 5,000 books, along with complete or near-complete runs of some 80 specialist journals totalling over 3,860 individual volumes. Additional material includes some 6,500 off-prints, c. 75 unpublished dissertations/theses and an extensive collection of maps of the region. The library is open to all members wishing to use it.

All assets are used in the direct charitable activities of the company.

10 INVESTMENTS

	2021	2021	2020
Group and Company	£	£	£
	Cost	Valuation	Valuation
Balance brought forward	306,286	339,530	351,436
Additions	22,210	22,210	5,797
Disposals	-	-	-
Realised gains/(losses)	-	-	-
Unrealised gains/(losses)	-	73,779	(17,703)
Balance at 31 March 2021 – listed investments	328,286	435,519	339,530

Consisting of:

Listed investments	435,519	339,530
Investment cash	-	9,600
	<u>435,519</u>	<u>349,130</u>

	2021	2020
	£	£
Details of material investments held at the end of the financial year are as follows:		
Sarasin Class A Income	<u>435,519</u>	<u>339,530</u>

The investments belong to the designated Haycock Memorial Fund.

All investments fall within the narrow range investments as defined by the Trustees Investment Act 1961 and are held in accordance with the powers of the Trustees of the company.

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

11 DEBTORS

	Group 2021 £	Company 2021 £	Group 2020 £	Company 2020 £
Prepayments & sundry debtors	122,266	81,533	38,033	4,739

12 CREDITORS

	Group 2021 £	Company 2021 £	Group 2020 £	Company 2020 £
Other creditors and accruals	303,042	245,328	281,409	176,139

13 PROVISION FOR LIABILITIES

	Group 2021 £	Company 2021 £	Group 2020 £	Company 2020 £
Provident Fund				
Balance brought forward	49,947	-	52,431	52,431
Transfers	-	-	-	(52,431)
Movement for the year	34,878		(2,484)	-
Balance at 31 March 2021	84,825	-	49,947	-
Provision for USS Deficit				
Balance brought forward	46,208	46,208	46,093	46,093
Movement for the year	(19,855)	(19,855)	115	115
Balance at 31 March 2021	26,353	26,353	46,208	46,208
Total provisions carried forward	111,178	26,353	96,155	46,208

14 PENSION COMMITMENTS

Provident Fund

The provident fund has been set up to provide a fund for Kenyan local employees to be paid on their retirement a sum based on their remuneration and length of service. An amount is charged / (credited) to the SOFA annually to ensure the fund is sufficient for the employees employed at the year-end.

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

14 PENSION COMMITMENTS (continued)

Universities Superannuation Scheme

The total cost charged to the profit and loss account is shown in note 13.

Deficit recovery contributions due within one year for the institution are £2,580 (2020: £3,098).

The latest available completed actuarial valuation of the Retirement Income Builder is at 31 March 2018 (the valuation date), which was carried out using the projected unit method. A valuation as at 31 March 2020 is underway but not yet complete.

Since the institution cannot identify its share of USS Retirement Income Builder (defined benefit) assets and liabilities, the following disclosures reflect those relevant for those assets and liabilities as a whole.

The 2018 valuation was the fifth valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to adopt a statutory funding objective, which is to have sufficient and appropriate assets to cover their technical provisions. At the valuation date, the value of the assets of the scheme was £63.7 billion and the value of the scheme's technical provisions was £67.3 billion indicating a shortfall of £3.6 billion and a funding ratio of 95%.

The key financial assumptions used in the 2018 valuation are described below. More detail is set out in the Statement of Funding Principles.

Pension increases (CPI)	Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves, less 1.3% p.a.
Discount rate (forward rates)	Years 1-10: CPI + 0.14% reducing linearly to CPI – 0.73% Years 11-20: CPI + 2.52% reducing linearly to CPI + 1.55% by year 21 Years 21 +: CPI + 1.55%

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on analysis of the scheme's experience carried out as part of the 2018 actuarial valuation. The mortality assumptions used in these figures are as follows:

2018 valuation

Mortality base table	Pre-retirement: 71% of AMC00 (duration 0) for males and 112% of AFC00 (duration 0) for females Post-retirement: 97.6% of SAPS SINMA "light" for males and 102.7% of RFV00 for females
Future improvements to mortality	CMI_2017 with a smoothing parameter of 8.5 and a long term improvement rate of 1.8% pa for males and 1.6% pa for females.

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

14 PENSION COMMITMENTS (continued)

The current life expectancies on retirement at age 65 are:

	2021	2020
Males currently aged 65 (years)	24.6	24.4
Females currently aged 65 (years)	26.1	25.9
Males currently aged 45 (years)	26.6	26.3
Females currently aged 45 (years)	27.9	27.7

A new deficit recovery plan was put in place as part of the 2018 valuation, which requires payment of 2% of salaries over the period 1 October 2019 to 30 September 2021 at which point the rate will increase to 6%. The 2021 deficit recovery liability reflects this plan. The liability figures have been produced using the following assumptions:

	2021	2020
Discount rate	1.75%	1.75%
Pensionable salary growth	3.00%	3.00%

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

15 UNRESTRICTED DESIGNATED FUNDS

Haycock Memorial Fund

The Haycock Memorial Fund is to be used for the general purposes of the Institute. The wishes of the Haycocks were that it should be used in the advancement of studies (including in particular linguistic studies) of the Ancient Meroitic State of Nubia as far as possible, although no specific trust was created in this respect.

	Haycock Memorial Fund £	2021 Total £	2020 Total £
Incoming resources			
Investment income	12,619	12,619	12,312
Resources expended			
Depreciation	2,586	2,586	2,586
Net incoming/ (outgoing) resources before transfers	10,003	10,003	9,726
Net incoming/ (outgoing) resources after transfers	10,003	10,003	9,726
Gains/ losses on investments	73,779	73,779	(17,796)
Net movement in year	<u>83,812</u>	<u>83,812</u>	<u>(8,070)</u>
Balance brought forward	<u>602,385</u>	<u>602,385</u>	<u>610,455</u>
Fund balance as at 31 March 2021	<u>686,197</u>	<u>686,197</u>	<u>602,385</u>
Represented by: -			
Tangible fixed assets	63,501	63,501	66,087
Fixed asset investments	435,519	435,519	349,130
Current Assets	187,177	187,177	187,168
	<u>686,197</u>	<u>686,197</u>	<u>602,385</u>

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

16 RESTRICTED FUNDS

	British Academy Grants £	Nairobi Report Grant £	Aurelius Trust Grant £	Aliph Project Grant £	Total £
Balance at 1 April 2019	-	648	3,000	-	3,648
Incoming resources					
- Grants and donations	467,467	-	-	-	467,467
Resources expended	(458,030)	-	-	-	(458,030)
Transfers between funds	(9,437)	-	-	-	(9,437)
Balance at 1 April 2020	-	648	3,000	-	3,648
Incoming resources					
- Grants and donations	538,137	-	-	144,921	683,058
Resources expended	(468,260)	-	-	(139,550)	(607,810)
Transfers between funds	(69,877)	-	-	-	(69,877)
Balance at 31 March 2021	-	648	3,000	5,371	9,019

The value of these funds is held within current assets.

The Institute has received specific funding in relation to the following projects:

1. British Academy Grants – this includes three elements:
 - a. BIRI - this is to support the core objectives of advancing research excellence in Eastern Africa, strengthening policy making, engaging with the public, promoting internationalism and continued development of enabling mechanisms.
 - b. Business Development – this is to support maximisation of commercial operations, research funding and to assist long-term efficiencies.
 - c. Contingency – this is an additional grant linked to BIRI and follows the same spend goals.
2. Nairobi Report Grant – funding totalling £25,000 was received in 2011 which was in part used to fund a conference held in Nairobi. The balance of the fund is being used to improve the BIEA website.
3. Aurelius Trust Grant - awarded to Professor John Harrington and others to allow them to archive the papers of the constitution of Kenya Review Commission.
4. Aliph Project Grant – funding awarded for the implementation of preventative and emergency protection programs for cultural property in danger of destruction, damage or looting on account of armed conflict, and to contribute to the rehabilitation of such property.

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

17 TRANSFERS BETWEEN FUNDS

During the year £nil was transferred to the General Fund from the Haycock Memorial Fund (2019: £nil).

During the year £69,877 (2020: £9,437) was transferred to the General Fund from the British Academy Grants for amounts spent on fixed assets.

18 CONTROLLING PARTY

There is no controlling party in this or the prior year.

19 FINANCIAL INSTRUMENTS

	2021	2020
	£	£
Financial assets		
At fair value through profit or loss	<u>435,519</u>	<u>339,530</u>
Financial liabilities		
At amortised cost	<u>7,071</u>	<u>10,435</u>

Financial assets at fair value through profit or loss comprise listed investments.

Financial liabilities measured at amortised cost comprise other creditors.

20 LEASE COMMITMENTS

The Institute leases premises in Kenya under an operating lease - the future lease payments due are as follows:

	2021	2020
	Shs	Shs
Falling due within one year	70,000	2,030,700
Falling due between one and five years	-	-
	<u>70,000</u>	<u>2,030,700</u>

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

21 COMPARATIVE SOFA & NOTES

		Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2020 £
Income and endowments from;					
Donations and legacies:					
Grants	3a	61,940	-	467,467	529,407
Subscriptions		6,721	-	-	6,721
Charitable activities:					
Publications		11,350	-	-	11,350
Guest house income		9,151	-	-	9,151
Other trading activities:					
Rent		53,106	-	-	53,106
Vehicle income		3,768	-	-	3,768
Investment income:	3b				
Interest on bank		117	-	-	117
Investment income		-	12,312	-	12,312
Other income:					
Miscellaneous		7,414	-	-	7,414
Total		<u>153,567</u>	<u>12,312</u>	<u>467,467</u>	<u>633,346</u>
Expenditure on;					
Raising funds	4	14,160	-	6,585	20,745
Charitable activities	4	152,042	2,586	451,445	606,073
Total		<u>166,202</u>	<u>2,586</u>	<u>458,030</u>	<u>626,818</u>
Realised gains / (losses) on investments		-	-	-	-
Unrealised gains / (losses) on investments		-	(17,796)	-	(17,796)
Net income /(expenditure)		(12,635)	(8,070)	9,437	(11,268)
Transfers between funds		9,437	-	(9,437)	-
Total movement in funds		<u>(3,198)</u>	<u>(8,070)</u>	<u>-</u>	<u>(11,268)</u>
Total funds brought forward		35,146	610,455	3,648	649,249
Total funds carried forward		<u>31,948</u>	<u>602,385</u>	<u>3,648</u>	<u>637,981</u>

THE BRITISH INSTITUTE IN EASTERN AFRICA
(A Company Limited by Guarantee not having a Share Capital)

NOTES TO THE ACCOUNTS

YEAR ENDED 31 MARCH 2021

21 COMPARATIVE SOFA & NOTES (continued)

	Unrestricted General Fund £	Unrestricted Designated Funds £	Restricted Funds £	2020 Total £
Cost of raising funds:				
Publication costs	14,160	-	4,149	18,309
Website upgrade	-	-	2,436	2,436
	<u>14,160</u>	<u>-</u>	<u>6,585</u>	<u>20,745</u>
Charitable activities:				
Direct costs:				
Conference and workshop	-	-	32,719	32,719
Fieldwork and research costs	-	-	54,253	54,253
Studentship & fellowship grants	-	-	17,422	17,422
Salaries and allowances	94,027	-	211,368	305,395
Library expenses	-	-	3,090	3,090
Support costs:				
Rent and utilities	5,567	-	8,350	13,917
Repairs and maintenance	2,427	-	7,042	9,469
General expenses	9,155	-	39,986	49,141
Transport and travel	5,714	-	4,000	9,714
Depreciation	6,005	2,586	12,886	21,477
Security	6,083	-	9,125	15,208
Provident funds	7,372	-	3,970	11,342
(Profit)/loss on exchange	(4,257)	-	-	(4,257)
Other costs	-	-	20,800	20,800
Governance costs:				
Staff costs	3,303	-	2,702	6,005
Audit and accountancy fees	12,489	-	18,734	31,223
Trustee expenses	1,799	-	1,461	3,260
Interest	2,358	-	3,537	5,895
	<u>152,042</u>	<u>2,586</u>	<u>451,445</u>	<u>606,073</u>