

Charity number: 1062847



Africa Services International

Registered number: 3371156

Trustees' Report and unaudited Financial Statements

For the year ended 31 December 2021

**AFRICA SERVICES INTERNATIONAL
(A Company Limited by Guarantee)**

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AFRICA SERVICES INTERNATIONAL
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
For the year ended 31 December 2021

Key management personnel

Trustees

B C Rossington (Chair)	
D T Baetz	(appointed 19 November 2021)
T Basupi	(appointed 21 September 2021)
D M Davis	(resigned 21 September 2021)
W A Ewing	(resigned 17 November 2021)
L J Fast	(resigned 16 June 2021)
P H F P Feniman	
M R Ganga	(resigned 17 November 2021)
L V Hindley	
R L Maples	
D Pate	(appointed 21 September 2021)
G Pietersen	(resigned 16 June 2021)
R K Thiel	

Senior management personnel

J A Barry
P J Everingham
K J Lewis
W L Middleton
R K Thiel

Company registered number

3371156

Charity registered number

1062847

Registered office

Scott Place, Unit E
Abbey Wood Business Park
Emma-Chris Way
Filton
Bristol
BS34 7JU

**AFRICA SERVICES INTERNATIONAL
(A Company Limited by Guarantee)**

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
For the year ended 31 December 2021

Independent examiner		Jonathan Marchant FCA Mazars LLP Chartered Accountants & Registered Auditors 90 Victoria Street Bristol BS1 6DP
Bankers	UK	HSBC Bank plc Grosvenor Court 149 Whiteladies Road Bristol BS8 2RR
Bankers	International	Bank of America 2727 South 48th Street Tempe AZ 85282 USA
Solicitors		Tozers LLP Broadwalk House Southernhay West Exeter EX1 1UA
Investment manager		Merrill 225 Liberty Street 41st Floor New York NY 10281 USA

AFRICA SERVICES INTERNATIONAL (A Company Limited by Guarantee)

TRUSTEES' REPORT

For the year ended 31 December 2021

The Trustees (who are also the directors of the Charity for the purposes of the Companies Act) present their annual report together with the independently examined financial statements of Africa Services International ("ASI" or "the Charity") for the year ended 31 December 2021. The Trustees confirm that the annual report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document 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 (FRS 102) (effective 1 January 2015).

Purpose, objectives and activities

ASI exists as a charity for the purpose of providing leadership and administration to a group of independent charities that co-operate together under the organisational name of AIM International. These charities include Mobilising Organisations that mobilise personnel to accomplish the stated goal of the larger organisation: "Go and make disciples of all nations, baptising them in the name of the Father and the Son and of the Holy Spirit, and teaching them to obey everything I have commanded you."

In setting objectives and planning activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit and in particular to its supplementary public benefit guidance on The Advancement of Religion for the Public Benefit.

Achievements and performance

ASI's Board of Trustees met two times, in person, in June and November of 2021, as well as a short online meeting in September 2021. In addition to reviewing the stated ends of the organisation and receiving reports on the progress towards those ends, the Board received the report it had commissioned in 2020, an external evaluation of AIM International's "progress towards AIM's ends" through OC International. The report was generally favourable, but also made some strong recommendations regarding how AIM International collects data and measures its progress. The Board of Trustees agreed some changes to the International Director's annual reporting process in response to these recommendations.

The Board of Trustees also spent considerable time during 2021 evaluating the AIM International's ends statement, and arrived at the following revised ends statement:

In dependence on the grace and power of the Lord, in partnership with African churches, with priority for unreached people groups:

- *churches around the world mobilized for missions,*
- *missionaries from diverse cultures equipped, sent and supported,*
- *the gospel proclaimed,*
- *disciples made,*
- *church leaders trained, and*

Christ-centred, reproducing, culturally-appropriate churches formed among African peoples.

AFRICA SERVICES INTERNATIONAL (A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)

For the year ended 31 December 2021

Achievements and performance (continued)

Specific sub-ends of the Charity include the training of African church leaders, mobilising of African missionaries, inviting African missionaries into AIM International's membership, engaging and reaching unreached people groups with the Gospel, reaching out to Africans who live outside of Africa, and a commitment to challenging, equipping, and educating the church in the organisation's sending nations towards mission through AIM International. In 2021 the International Director presented his annual reports to the Board of Trustees detailing progress towards each of these ends. Most of the sub-ends referred to above have now been incorporated into the revised AIM International ends statement.

The Trustees and other personnel were able to travel in Africa during 2021, but this was limited due to the Covid-19 pandemic. The Trustees provide mentorship for field-based leaders and encourage and facilitate dialogue with partner churches and other like-minded organisations. This was mostly done at a distance in 2021.

The Trustees and the International Director worked on a new strategic plan for the organization, and agreed on a "Vision 2021" statement. Further work by the International Director will yield a Global Integrated Strategic Plan that will be presented in 2022. The Board of Trustees also began a review process for the constitution of AIM International, which will be continued into 2022. This will eventually lead to proposals for any possible changes being made to the membership of AIM International in due course.

During 2021 ASI hosted different training and management meetings online for its members and leaders. In general, in-person meetings for large numbers of people were not possible. The Covid-19 pandemic also limited some ministry activity in 2021 for ASI and AIM International members, though most AIM International members stayed on location in Africa, and a few new workers were sent out despite the ongoing challenges of doing this during the Covid-19 pandemic.

During 2021 ASI provided assistance to the AIM International mobilising offices located in South Africa and Brazil, both of which have struggled financially. The International Director also visited the USA and Canada mobilizing offices in 2021, but was unable to visit other offices due to travel restrictions caused by the Covid-19 pandemic. He therefore primarily connected with all Mobilizing Directors throughout the year via the internet.

ASI also assisted a number of African missionaries in 2021 through its African Missionary Assistance fund, which provides financial assistance of up to \$1,000 per missionary in support of their ministry. ASI's Majority World Missionary Assistance fund sponsored a number of other missionaries from Africa and Brazil, up to a cap of \$5,000 per individual. AIM International is placing a specific emphasis on the mobilization of African missionaries and therefore ASI will continue to support initiatives that seek to achieve this.

During 2021 ASI received gifts totalling £46,942 for two of its restricted fund projects, and AIM International and other like-minded partners also received gifts during 2021, through the generous provision of a large grant entitled "The Messenger Fund" that has been administered by the USA mobilizing office on behalf of ASI and AIM International.

AFRICA SERVICES INTERNATIONAL (A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)

For the year ended 31 December 2021

Financial review

ASI received unrestricted income which amounted to £468,857 for the year ended 31 December 2021 (2020: £200,484). Restricted income for the year amounted to £168,185 compared with £359,203 in 2020. Unrestricted expenditure amounted to £343,726 (2020: £549,721). Restricted expenditure amounted to £232,316 (2020: £216,068). The net movement in funds for the year amounted to an inflow of £248,967 (2020: £110,691 outflow) after unrealised gains on investments of £187,967 (2020: £95,411 gains) and exchange gains of £22,904 (2020: £46,379 losses).

ASI's income from charitable activities was £337,401 for the year ended 31 December 2021 compared with £158,317 in 2020. This increase in charitable income compared to the previous year was expected as member allocations during 2020 were waived for three quarters of the year due to the reduction in expenditure and financial impact of the Covid-19 pandemic on members.

ASI received donations and gifts totalling £98,445 which primarily related to a portion of the disposal proceeds from the sale of two properties in Namibia by AIM International's Southern Region office, and the transfer of funds relating to the AIM Stories department from Africa Based Services in Kenya, which now operates as a consultant service of ASI to AIM International. During 2021 the Trustees allocated £140,000 of ASI's general funds to the CHARIS II designated project fund, details of which are provided in Note 12 of the financial statements.

Investment policy and performance

Stewardship is the driving principle regarding how ASI manages finances in general and specifically how the Charity invests the reserve funds of ASI. Detailed below are the investment stewardship principles that ASI has adopted:

1. Investments must be made with an appropriate awareness of the need to protect capital;
2. Investment of reserves and other liquid assets must take into consideration the need for liquidity to meet cash flow needs;
3. Investments and holdings must seek to take advantage of opportunities for competitive returns;
and
4. Investments must address currency risks.

ASI has invested its cash reserves with Merrill which at 31 December 2021 had a market value of £1,388,270. The portfolio achieved an unrealised gain in the 12 months to 31 December 2021 of £187,967. The annualised return on investments for the entire investment period, net of fees, at 31 December 2021 was 6.72% (or 7.34% gross of fees) (2020: 6.15% (or 6.86% gross of fees)) against a moderately conservative allocation model return of 8.70% (capital growth with dividends and yield reinvested). This compares with the following benchmarks: S&P 500 Total Return: 15.44%; BofAML US Broad Market Bond: 3.56%; and US Treasury Bill 30 Days: 0.55%.

AFRICA SERVICES INTERNATIONAL (A Company Limited by Guarantee)

TRUSTEES' REPORT (continued)

For the year ended 31 December 2021

Reserves policy and going concern

ASI has a stated reserves policy that specifies that the Charity must maintain minimum general reserves greater than or equal to 6 months' or 50% of ASI's budgeted operating expenditure. ASI's budgeted costs for 2022 is £274,500, however its budgeted income has been reduced to £184,500 due the Trustees' decision to significantly reduce budgeted member allocation income for at least the next three years starting in 2022. As a result, the Trustees expect to utilise some ASI's retained general reserves in order to continue to fund its charitable activity at normal levels, thereby reducing the amount of general reserves ASI has over this time.

ASI's general fund reserve at 31 December 2021 was £990,316 (2020: £742,819). Designated funds increased from £1,404,292 in 2020 to £1,482,822 at 31 December 2021. The Charity's reserves during the financial year were therefore maintained at a level well over the policy's minimum requirement and the Trustees hope that its decision to reduce member allocation income for a period of at least three years will allow ASI's general reserves to align more closely with its stated reserves policy, specifically in regard to the maximum amount of general reserves the Charity is required to maintain to fund its normal charitable activity.

ASI manages a number of international projects which results in it holding restricted funds at any time. Restricted funds reduced from £277,012 in 2020 to £199,952 at 31 December 2021. ASI also owns an office property and a number of residential properties occupied by personnel who serve at the Charity. The properties were historically purchased using the Charity's general funds.

Plans for the future

ASI will continue to pursue the objectives of AIM International as stated above, including the sub-objectives as defined by the Board of Trustees. The priority for the unreached peoples of Africa to hear the Gospel will continue to be the focus of activity.

ASI continues to support AIM International through the provision of a wide range of activities, which includes services in the areas of child safety, health ministry, education and wellbeing of third culture children, crisis and contingency planning, encouraging language acquisition, training and leadership development, developing partnership initiatives, supporting Africans in theological education, advising on the use of information technology, and providing financial and personnel co-ordination and member care services.

Structure, governance and management

Constitution

Africa Services International is a registered charity (No. 1062847) and also a company limited by guarantee (No. 3371156), registered in England and Wales. The Charity is governed by its memorandum and articles of association.

AFRICA SERVICES INTERNATIONAL (A Company Limited by Guarantee)

TRUSTEES' REPORT (continued) For the year ended 31 December 2021

Structure, governance and management (continued)

Method of appointment or election of trustees (continued)

The Charity's Trustees are selected based on their membership and position within the worldwide organisation known as AIM International. Executive officers of some of the constitutionally defined bodies of AIM International and members of AIM international are invited to serve as Trustees of ASI in a non-executive capacity for a two-year term.

New Trustees receive induction training from the International Director and the Chair of ASI as required. The Board also receives training periodically in relation to governance, risk management and their other legal responsibilities as Trustees of ASI.

Policy Governance and the Charity Governance Code for smaller charities

The Board of Trustees utilise the practices found in Policy Governance. The Board welcomes the guidance contained in the Charity Governance Code for smaller charities published in July 2017. The Trustees' application of Policy Governance ensures that the principles outlined in the Charity Governance Code are regularly reviewed and proportionately applied to ASI's operational context.

Organisational structure and decision making

AIM International's 7 Mobilising Councils send members to work together in countries in Africa or with African peoples living in their home country.

Members are assigned to work in either one of 5 regions or one of 2 departments.

ASI co-ordinates the placement of AIM International's personnel and provides leadership, strategic planning, leadership development and accountability to ensure that AIM International as a worldwide organisation is accomplishing its stated objectives.

Related parties and co-operation with other organisations

None of the Trustees receive remuneration or other benefit by reason of their position as a Trustee from their work with ASI. Trustees are required to disclose to the Board of Trustees all relevant connections and interests in the same way as any other contractual relationship with a related party. During the year no such related party transactions were reported save for the Trustees' common interest as representatives of AIM International. The Charity's relationship with the Mobilising and Receiving Organisations that make up AIM International is set out in Note 14 to the financial statements.

Key management personnel

The Board of Trustees provides governance for the organisation and guidance and accountability for the International Director. Key management personnel of the Charity comprise the International Director, the Africa Ministries Director, the Chief Finance Officer, the Director of African Mobilisation, the Director of Alignment, the Personnel Director, who are in charge of operating the Charity on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustee expenses and related party transactions are disclosed in Note 4 to the financial statements.

AFRICA SERVICES INTERNATIONAL (A Company Limited by Guarantee)

TRUSTEES' REPORT (continued) For the year ended 31 December 2021

Structure, governance and management (continued)

Volunteers

The Charity relies on voluntary help from members of AIM International to fulfil most of its key management personnel roles and in providing administrative and other practical support to the organisation. With the exception of the Africa Ministries Director, the Chief Finance Officer and the Director of African Mobilisation all other key management personnel roles were fulfilled by volunteers during the year. The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. Remuneration is bench-marked with charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

Risk management

The Trustees have a risk management strategy which comprises:

- an annual review of the principal risks and uncertainties that the Charity faces;
- the establishment of policies, systems and procedures to mitigate those identified risks; and
- the implementation of procedures designed to minimise or manage any potential impact on the Charity should those risks materialise.

The risk management review has identified that financial sustainability is the major financial risk for the Charity. The potential impact Covid-19 may have on the Charity's short-term cash flow, liquidity and financial sustainability is being monitored but the trustees believe that in the short term the impact of pandemic does not present a going concern risk to the Charity or its ability to continue to operate. The Charity currently has a good level of unrestricted reserves which mitigates this risk in the medium term.

The potential longer term impact that a prolonged period of economic instability or travel restrictions resulting from the Covid-19 pandemic could have on the Charity, whether in the UK, Africa or in other parts of the world cannot be assessed with any great certainty. The Trustees are therefore continuing to monitor the situation closely so that the Charity is able to respond to the changing risk landscape when necessary. It appears now that ASI and the AIM International organisation as a whole has weathered the effects of the Covid-19 pandemic fairly well and without this causing too much severe or permanent disruption to its operating activities.

Attention is also given to non-financial risks including governance and operational risks, external and environmental risks and compliance with law and regulations. The risk management review has identified that the availability of key management personnel who are eligible to reside in the UK during their term of office is a major non-financial risk for the Charity. A key element in the management of this non-financial risk is the regular monitoring of UK Visa and Immigration policy, undertaking personnel contingency planning and developing procedures that facilitate international operational flexibility.

**AFRICA SERVICES INTERNATIONAL
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT (continued)
For the year ended 31 December 2021**

Trustees' responsibilities statement

The Trustees (who are also directors of ASI for the purposes of company law) are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each 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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

This report has been prepared in accordance with the small companies regime of the Companies Act 2006 and was approved by the Trustees and signed on their behalf by:

R K Thiel



Date 22 June 2022

**AFRICA SERVICES INTERNATIONAL
(A Company Limited by Guarantee)**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
AFRICA SERVICES INTERNATIONAL**

I report on the financial statements of Africa Services International for the year ended 31 December 2021 which are set out on pages 12 to 28.

Respective responsibilities of trustees and examiner

The trustees (who are also directors of the company for the purposes of company law) are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(b) of the 2011 Act.

This report, including my statement, has been prepared for and only for the charity's trustees as a body. My work has been undertaken so that I might state to the charity's trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body for my examination work, for this report, or for the statements I have made.

Basis of the independent examiner's report

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

Independent examiner's statement

Since the charity's gross income exceeded £250,000, your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants in England & Wales which is one of the listed bodies.

**AFRICA SERVICES INTERNATIONAL
(A Company Limited by Guarantee)**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
AFRICA SERVICES INTERNATIONAL**

In connection with my examination, which is complete, no matters have come to my attention which give me reasonable cause to believe that in any material respect:

- accounting records were not kept in respect of Africa Services International in accordance with section 386 of the 2006 Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act and other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the methods and principals of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:



Jonathan Marchant FCA

Mazars LLP
90 Victoria Street
Bristol
BS1 6DP

Date:

4 July 2022.

AFRICA SERVICES INTERNATIONAL
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (incorporating the Income and Expenditure Account)
For the year ended 31 December 2021

	Note	Restricted funds £	Unrestricted funds £	2021 £	2020 £
Income					
Donations and gifts	2	168,185	98,445	266,630	393,935
Income from charitable activities	2	-	337,401	337,401	158,317
Investment income	2	-	33,011	33,011	7,435
Total income		168,185	468,857	637,042	559,687
Expenditure					
Expenditure on charitable activities	3	232,316	343,726	576,042	765,789
Total expenditure		232,316	343,726	576,042	765,789
Net income / (expenditure) before gains / (losses) on investments		(64,131)	125,131	61,000	(206,102)
Net gain / (loss) on investments	8	-	187,967	187,967	95,411
Net income / (expenditure) before transfers		(64,131)	313,098	248,967	(110,691)
Transfers between funds	11,12	(12,929)	12,929	-	-
Net income / (expenditure) and net movement in funds for the year		(77,060)	326,027	248,967	(110,691)
Reconciliation of funds					
Total funds at the start of the year		277,012	2,147,111	2,424,123	2,534,814
Total funds at the end of the year	13	199,952	2,473,138	2,673,090	2,424,123

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure relates to continuing activities.

The notes on pages 15 to 28 form part of these financial statements.

AFRICA SERVICES INTERNATIONAL
(A Company Limited by Guarantee)

Registered number 3371156

BALANCE SHEET

As at 31 December 2021

		31 December 2021		31 December 2020	
	Note	£	£	£	£
Fixed assets					
Intangible assets	6	134,833		-	
Tangible assets	7	575,597		574,559	
Investments	8	1,388,270		1,133,114	
		<u>2,098,700</u>		<u>1,707,673</u>	
Current assets					
Debtors	9	55,589		123,053	
Cash at bank and in hand		558,772		609,262	
		<u>614,361</u>		<u>732,315</u>	
Creditors					
Amounts falling due within one year	10	(39,971)		(15,865)	
Net current assets		<u>574,390</u>		<u>716,450</u>	
Total assets less current liabilities		<u>2,673,090</u>		<u>2,424,123</u>	
Net assets		<u>2,673,090</u>		<u>2,424,123</u>	
Charity funds					
Restricted funds	11	199,952		277,012	
Unrestricted funds	12	2,473,138		2,147,111	
		<u>2,673,090</u>		<u>2,424,123</u>	

For the year ended 31 December 2021, ASI was entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006. No notice has been deposited with the Charity under section 476 of the Companies Act 2006 requiring an audit to be carried out.

The Trustees acknowledge their responsibility for:

- ensuring the Charity keeps proper accounting records in accordance with sections 386 and 387 of the Companies Act 2006; and
- preparing statements which give a true and fair view of the state of affairs of the Charity as at the end of the financial year and of its profit/loss for that financial year in accordance with the requirements of sections 394 and 395 of the Companies Act 2006.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Trustees and signed on their behalf by:

R K Thiel



Date 22 June 2022

The notes on pages 15 to 28 form part of these financial statements.

AFRICA SERVICES INTERNATIONAL
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS

For the year ended 31 December 2021

	2021	2021	2020	2020
	£	£	£	£
Cash flow from operating activities				
Net movement in funds		248,967		(110,691)
Add: Amortisation of intangible assets	-		20,628	
Add: Depreciation of tangible assets	447		626	
Less: Interest (included in investing activities)	(33)		(243)	
Less: Foreign exchange rates	(26,569)		34,861	
Less: Investment revaluation gain	(187,967)		(95,411)	
Add: Investment portfolio charges	13,756		9,416	
Decrease / (increase) in debtors	67,464		(5,442)	
Increase / (decrease) in creditors	24,106		(16,786)	
		<u>(108,796)</u>		<u>(52,351)</u>
Net cash inflow / (outflow) from operating activities		<u>140,171</u>		<u>(163,042)</u>
Cash flows from investing activities				
Purchase of intangible assets	(134,833)		-	
Purchase of tangible assets	(1,485)		-	
Purchase of investments	(223,134)		(185,457)	
Proceeds from sale of investments	163,337		420,750	
Interest received	33		243	
Net cash inflow / (outflow) from investing activities		<u>(196,082)</u>		<u>235,536</u>
Net change in cash and cash equivalents		<u>(55,911)</u>		<u>72,494</u>
Cash and cash equivalents at the start of the year		609,262		546,071
Change in cash and cash equivalents due to exchange rate movements		<u>5,421</u>		<u>(9,303)</u>
Cash and cash equivalents at the end of the year		<u><u>558,772</u></u>		<u><u>609,262</u></u>

An analysis of the changes in net debt is provided in Note 16 of the financial statements.

The notes on pages 15 to 28 form part of these financial statements.

AFRICA SERVICES INTERNATIONAL

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

General Information

ASI is a private company limited by guarantee and registered in England and Wales (Company Number 3371156 and Charity Number 1062847). Its registered office is Scott Place, Unit E, Abbey Wood Business Park, Emma-Chris Way, Filton, Bristol, BS34 7JU.

1. Accounting policies

1.1 Basis of preparation

The financial statements have been prepared in accordance with 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 (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Africa Services International meets the definition of a public benefit entity under FRS 102. The presentation currency of the financial statements is Sterling (£) and the financial statements are rounded to the nearest £. The comparative period is for the year ended 31 December 2020.

Going concern basis of preparation

After reviewing the Charity's forecasts and projections, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. The Charity therefore continues to adopt the going concern basis in preparing its financial statements.

1.2 Company status

Legal status

The Charity is a company limited by guarantee and has no share capital. The members of the company are the Trustees named on page 1 of these financial statements. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. At 31 December 2021 there were 8 members (2020: 10).

Taxation

The company is registered with the Charity Commission as a charity and its main activities are exempt from taxation in accordance with the Corporation Tax Act 2010.

1.3 Income

Income is recognised in the Statement of Financial Activities when the Charity has entitlement to the funds and it is probable that the income will be received and the amount can be measured reliably.

AFRICA SERVICES INTERNATIONAL
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

1. Accounting policies (continued)

1.3 Income (continued)

In accordance with the Charities SORP (FRS 102), the contribution made by unpaid volunteers to the Charity is not recognised as income in the financial statements. A description of the role played by volunteers and the nature of their contribution is provided in Note 5 to the financial statements.

1.4 Deferred income

Income received in advance is deferred in the Balance Sheet until the criteria for income recognition is met, at which point the income is recognised in the Statement of Financial Activities.

1.5 Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the Charity. Designated funds are unrestricted funds of the Charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

1.6 Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure on charitable activities comprises direct charitable expenditure and support costs incurred in overseeing and supporting the activities of AIM International and in the running of the International Office. Governance costs are those costs incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

1.7 Intangible fixed assets

Intangible fixed assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

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For the year ended 31 December 2021

1. Accounting policies (continued)

1.7 Intangible fixed assets (continued)

Software development costs are recognised as an intangible asset when the technical feasibility of the software has been proven, the software is in use within the Charity, it has been determined that the software will generate future economic benefits, there are sufficient resources to complete its development and there is an ability to measure reliably the expenditure attributable to the software during its development.

Amortisation is charged so as to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight-line method. Intangible assets are amortised over the following useful economic lives:

Software development costs	- 10 years
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If there is an indication that there has been a significant change in amortisation rate or residual value of an asset, the amortisation of that asset is revised prospectively to reflect the new expectations.

No amortisation is charged on assets in the course of construction until they are brought into operational use, at which point the assets are transferred to the relevant asset category and are amortised over their useful economic life.

1.8 Tangible fixed assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets other than property costing over £1,000, over their expected useful lives, using the straight-line method. The rates applicable are:

Computers and equipment	- 3 years
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Freehold and long leasehold property is not depreciated as it is the Trustees' policy to maintain them to a high standard. As a result the properties maintain their residual value at least equal to the book value. This means that any depreciation charged in the year and accumulative depreciation is rendered minimal. The properties are reviewed for impairment, in accordance with Section 27 of FRS 102, at the end of each accounting period.

1.9 Investments

Investments are stated at their market value on the balance sheet date. Realised and unrealised gains or losses are accounted for in the Statement of Financial Activities.

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NOTES TO THE FINANCIAL STATEMENTS

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1. Accounting policies (continued)

1.10 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amounts relating to future periods.

1.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Creditors

Creditors are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

1.13 Financial Instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.14 Foreign currency translation

The functional and presentation currency of the Charity is Sterling (£). Transactions in foreign currencies are translated into Sterling at the rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the rate of exchange prevailing on the balance sheet date. Exchange differences are recognised in the Statement of Financial Activities in the period in which they arise.

1.15 Pension costs

Contributions to defined pension contribution plans on behalf of employees are recognised as an expense in the Statement of Financial Activities in the period in which they are incurred.

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2. Income

	Restricted funds £	Unrestricted funds £	2021 £	2020 £
Income from donations and gifts				
Donations and gifts	168,185	98,445	266,630	393,935
Income from charitable activities				
Member allocations	-	275,072	275,072	89,244
Conference, training, IT & support income	-	62,329	62,329	69,073
	-	337,401	337,401	158,317
Investment income				
Rental income	-	10,052	10,052	7,192
Sundry income	-	22	22	-
Interest received	-	33	33	243
Exchange gains	-	22,904	22,904	-
	-	33,011	33,011	7,435
Total income	168,185	468,857	637,042	559,687

In 2020 income of £200,484 was attributable to unrestricted funds and £359,203 was attributable to restricted funds.

	2021	2020
Income analysed geographically was as follows: United Kingdom	25%	31%
Europe	-	-
Rest of the World	75%	69%

3. Expenditure

	Restricted funds £	Unrestricted funds £	2021 £	2020 £
Expenditure on charitable activities				
Direct charitable expenditure	232,316	151,028	383,344	506,701
Governance costs	-	17,320	17,320	9,987
Support costs	-	175,378	175,378	249,101
Total expenditure	232,316	343,726	576,042	765,789

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For the year ended 31 December 2021

3. Expenditure (continued)

In 2020 expenditure of £549,721 was attributable to unrestricted funds and £216,068 was attributable to restricted funds.

Net income / (expenditure) is stated after charging:

	2021	2020
	£	£
Amortisation	-	20,628
Depreciation	447	626
Independent examiner's fee	3,540	3,540
	<u>3,540</u>	<u>3,540</u>

a) Analysis of direct charitable expenditure

	Restricted funds	General fund	Designated funds	2021	2020
	£	£	£	£	£
Directorate travel and activities	-	11,145	-	11,145	16,929
Consultant travel and activities	-	31,295	-	31,295	35,233
Meetings, conferences and training	4,162	6,116	6,395	16,673	33,498
Ministry and outreach support	226,271	-	30,718	256,989	326,931
Development activities	1,883	25,180	40,179	67,242	94,110
	<u>232,316</u>	<u>73,736</u>	<u>77,292</u>	<u>383,344</u>	<u>506,701</u>

In 2020 direct charitable expenditure of £81,971 was attributable to unrestricted general funds, £208,662 was attributable to designated funds and £216,068 was attributable to restricted funds.

b) Analysis of governance costs

	Restricted funds	General fund	2021	2020
	£	£	£	£
International Council meeting costs	-	13,780	13,780	6,447
Independent examiner's fee	-	3,540	3,540	3,540
	<u>-</u>	<u>17,320</u>	<u>17,320</u>	<u>9,987</u>

In 2020 all £9,987 of governance costs was attributable to unrestricted funds.

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3. Expenditure (continued)

c) Analysis of support costs

	Restricted funds	General fund	Designated funds	2021	2020
	£	£	£	£	£
Staff costs	-	113,715	-	113,715	121,779
Co-operative support	-	1,898	-	1,898	2,939
Residency and housing support	-	9,093	-	9,093	8,668
Insurance and business rates	-	5,873	-	5,873	5,624
Property repairs and maintenance	-	2,626	-	2,626	1,565
Office running costs	-	5,498	-	5,498	5,271
IT, communication and printing costs	-	21,842	-	21,842	25,568
Amortisation and impairment	-	-	-	-	20,628
Depreciation	-	447	-	447	626
Bank and portfolio charges	-	14,386	-	14,386	10,054
Exchange losses	-	-	-	-	46,379
	-	175,378	-	175,378	249,101

In 2020 all £249,101 of support costs was attributable to unrestricted funds.

4. Staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs during the year were as follows:

	2021	2020
	£	£
Salaries and wages	98,519	106,250
Social security costs	6,214	6,975
Pension costs	8,982	8,554
	113,715	121,779

No employees had employee benefits in excess of £60,000 (2020: nil).

No Trustee received any remuneration from the Charity for their services as a trustee during the year (2020: £nil) neither were they reimbursed expenses during the year (2020: £nil).

The total employee benefits of the key management personnel of the Charity was £95,516 (2020: £102,834).

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5. Staff numbers

The average monthly number of employees during the year was as follows:

	2021	2020
	No.	No.
Administration	4	4

In addition to its employees, the Charity received voluntary help from members of AIM International which amounted to an additional 5 Full Time Equivalent staff during the year (2020: 6).

6. Intangible fixed assets

	Assets in the course of construction £	Software development costs £	Total £
Cost			
At 1 January 2021	-	206,277	206,277
Additions	134,833	-	134,833
At 31 December 2021	134,833	206,277	341,110
Amortisation and Impairment			
At 1 January 2021	-	206,277	206,277
Charge in the year	-	-	-
At 31 December 2021	-	206,277	206,277
Net book value			
At 31 December 2021	134,833	-	134,833
At 31 December 2020	-	-	-

Amortisation of intangible fixed assets is included in expenditure on charitable activities within support costs.

Assets in the course of construction

ASI's human resources software system is included as an intangible fixed asset within software development costs. During the year ended 31 December 2020 the system was written down to nil value as it has reached the end of its useful economic life. This system is being replaced by a new Member Management Platform (MMP) system, the cost of which has been capitalised as an intangible fixed asset in the course of construction. Once the MMP system becomes operational, which is expected to take place in 2022, the value of the asset will be transferred to Software development costs, at which point the system's cost will be amortised over its useful economic life.

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7. Tangible fixed assets

	Properties & improvements £	Computers & equipment £	Total £
Cost			
At 1 January 2021	574,194	4,617	578,811
Additions	-	1,485	1,485
At 31 December 2021	574,194	6,102	580,296
Depreciation			
At 1 January 2021	-	4,252	4,252
Charge in the year	-	447	447
At 31 December 2021	-	4,699	4,699
Net book value			
At 31 December 2021	574,194	1,403	575,597
At 31 December 2020	574,194	365	574,559

Property historic cost and value

At 31 December 2021 the Charity owned 5 properties in Bristol which had a combined historic cost of £524,770. Four properties are freehold (historic cost: £469,690) and one property is long leasehold (historic cost: £55,080).

Subsequent capital improvements on certain of these properties has increased their historic cost by £49,424. All of the properties are shown in the financial statements at their historic cost.

The Trustees believe the market value of the Charity's properties significantly exceeded their historic cost. The properties had a combined insurance value of approximately £1.45 million.

8. Fixed asset investments

	Listed securities £
Market value	
At 1 January 2021	1,133,114
Additions	223,134
Disposals	(163,337)
Portfolio charges	(13,756)
Revaluation gain	187,967
Exchange rate loss	21,148
At 31 December 2021	1,388,270

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8. Fixed asset investments (continued)

All of ASI's fixed asset investments were held overseas in a pooled investment fund arrangement on behalf of AIM International. The pooled investments comprise equity and fixed income holdings which are managed on behalf of the Charity by Merrill.

9. Debtors

	2021	2020
	£	£
Due within one year		
Other debtors	251	28,979
Prepayments and accrued income	55,338	94,074
	<u>55,589</u>	<u>123,053</u>

10. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Other creditors	30,925	9,442
Accruals and deferred income	9,046	6,423
	<u>39,971</u>	<u>15,865</u>

	Deferred income £
An analysis of the movement in deferred income during the year was as follows:	
At 1 January 2021	273
Resources deferred during the year	-
Amounts released from previous years	(273)
	<u>-</u>
At 31 December 2021	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
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11. Analysis of movements in restricted funds

	Brought forward	Incoming resources	Resources expended	Transfers in / (out)	Carried forward
	£	£	£	£	£
African Missionary Assistance	40,438	53,367	(46,614)	-	47,191
COVID-19 Member Assistance	898	-	(668)	-	230
Famine Relief & Crisis Response	145,688	37,171	(87,189)	-	95,670
International Strategic Outreach	11,287	17,139	(25,718)	-	2,708
Majority World Missionary Assistance	57,472	17,777	(25,511)	(12,929)	36,809
National Leaders Ministry Fund	1,494	675	-	-	2,169
Support Funds	10,032	41,849	(39,442)	-	12,439
TIMO Development	9,703	207	(7,174)	-	2,736
Restricted funds	277,012	168,185	(232,316)	(12,929)	199,952

Description of restricted funds

African Missionary Assistance	- for providing financial assistance to African missionaries.
COVID-19 Member Assistance	- to assist members whose support has been impacted by COVID-19.
Famine Relief & Crisis Response	- to be used in response to famine or any other crisis.
International Strategic Outreach	- to offer outreach assistance to various projects.
Majority World Missionary Assistance	- for providing financial assistance to majority world missionaries.
National Leaders Ministry Fund	- for providing assistance to national church leaders.
Support Funds	- for providing assistance for members who are employed by ASI.
TIMO Development	- for costs relating to development of the TIMO training programme.

Restricted fund transfers during the year comprised a transfer of £12,929 from ASI's Majority World Member Assistance fund to ASI's African Member Support fund relating to ASI's employment costs and support costs for some of AIM International's African leaders.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

12. Analysis of movements in unrestricted funds

	Brought forward	Incoming resources	Resources expended	Transfers in / (out)	Gains / (losses)	Carried forward
	£	£	£	£	£	£
Designated funds	1,404,292	2,893	(77,292)	152,929	-	1,482,822
General fund	742,819	465,964	(266,434)	(140,000)	187,967	990,316
Unrestricted funds	<u>2,147,111</u>	<u>468,857</u>	<u>(343,726)</u>	<u>12,929</u>	<u>187,967</u>	<u>2,473,138</u>

Designated funds comprise the following:

	Brought forward	Incoming resources	Resources expended	Transfers in / (out)	Carried forward
	£	£	£	£	£
African Member Health Insurance	37,394	-	(1,705)	-	35,689
African Member Support	39,814	-	(28,613)	12,929	24,130
CHARIS II Project	165,854	-	(9,860)	140,000	295,994
Contingency Fund	259,024	-	-	-	259,024
COVID-19 Assistance	116,708	-	-	-	116,708
International Capital Property	574,194	-	-	-	574,194
Mobilisation Grants	-	-	-	-	-
OFM / AIM Stories Grant	4,722	2,283	-	-	7,005
Vision 20/20 Funds	206,582	610	(37,114)	-	170,078
Designated funds	<u>1,404,292</u>	<u>2,893</u>	<u>(77,292)</u>	<u>152,929</u>	<u>1,482,822</u>

Description of designated funds

African Member Health Insurance	- a fund to assist paying for African members' health insurance.
African Member Support	- a fund to assist African members' support for a specified time period.
CHARIS II Project	- funds for the research and development costs of a new HR system.
Contingency Fund	- a fund to assist with emergency or evacuation costs for members.
COVID-19 Assistance	- emergency assistance for offices and members impacted by COVID-19.
International Capital Property	- the unrestricted value of the Charity's property.
Mobilisation Grants	- assistance to support mobilising office geographic expansion plans.
OFM / AIM Stories Grant	- a grant to AIM's AIM Stories (formerly On Field Media) team based in Africa.
Short Term Coordinator Grant	- a grant to AIM Australia to assist in funding a Short Term Coordinator.
Vision 20/20 Funds	- assistance towards Vision 20/20 initiatives.

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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

12. Analysis of movements in unrestricted funds (continued)

Designated fund transfers during the year comprised the following:

- A transfer of £12,929 from ASI's Majority World Missionary Assistance fund to the African Member Support fund as described in Note 11;
- A transfer of £140,000 from ASI's general fund to the CHARIS II Project fund in relation to the expected total development cost for the new Member Management Platform (MMP) system.

13. Analysis of net assets between funds

	Restricted funds £	Unrestricted funds £	2021 £	2020 £
Intangible assets	-	134,833	134,833	-
Tangible assets	-	575,597	575,597	574,559
Investments	-	1,388,270	1,388,270	1,133,114
Debtors	-	55,589	55,589	123,053
Cash at bank and in hand	199,952	358,820	558,772	609,262
Creditors due within one year	-	(39,971)	(39,971)	(15,865)
	<u>199,952</u>	<u>2,473,138</u>	<u>2,673,090</u>	<u>2,424,123</u>

14. Related parties and co-operation with other organisations

Mobilising Organisations

The Charity is connected with the Mobilising Organisations that form the member body of AIM International. There are currently seven Mobilising Organisations: Asia-Pacific, South America, Canada, Europe, South Africa, Korea and the USA.

Amongst other activities, Mobilising Organisations are responsible for collecting and then distributing member allocations to ASI that usually comprises the majority of the Charity's annual income as recorded in the Statement of Financial Activities.

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14. Related parties and co-operation with other organisations (continued)

Receiving Organisations

The Charity is also connected with the Receiving Organisations that form the member body of AIM International. These organisations, usually registered in their country of operation as an NGO, comprise regional offices as follows: Central Region in Kampala, Uganda, Eastern and Northern Regions in Nairobi, Kenya, Southern Region in Johannesburg, South Africa and the Diaspora Region in California, USA. In addition to these regional offices AIM International also has training and support service offices located in Nairobi, Kenya. Most of the charitable activity undertaken by ASI is facilitated in co-operation with this network of regional offices.

15. Pension commitments

The Charity makes defined pension contributions on behalf of eligible employees. The assets of the scheme are administered by an independent pensions provider. Pension payments, recognised as charitable expenditure within support costs during the year amounted to £8,982 (2020: £8,554).

16. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	Foreign exchange movements £	At 31 December 2021 £
Cash and cash equivalents				
Cash	609,262	(55,911)	5,421	558,772
Borrowings				
Debt	-	-	-	-
Total	<u>609,262</u>	<u>(55,911)</u>	<u>5,421</u>	<u>558,772</u>