

**COMPANY REGISTRATION NUMBER: 03524187**  
**CHARITY REGISTRATION NUMBER: 1075525**

**Breadline Africa**  
**Company Limited by Guarantee**  
**Financial statements**  
**31 December 2023**

# **Breadline Africa**

## **Company Limited by Guarantee**

### **Financial statements**

**Period from 1 April 2023 to 31 December 2023**

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	<b>Page</b>
Trustees' annual report (incorporating the directors' report)	<b>1</b>
Independent auditor's report to the members	<b>8</b>
Statement of financial activities (including income and expenditure account)	<b>13</b>
Balance sheet	<b>14</b>
Statement of cash flows	<b>15</b>
Notes to the financial statements	<b>16</b>

# Breadline Africa

## Company Limited by Guarantee

### Trustees' annual report (incorporating the directors' report)

#### Period from 1 April 2023 to 31 December 2023

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The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the period ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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 published in October 2019.

#### Reference and administrative details

<b>Registered charity name</b>	Breadline Africa
<b>Charity registration number</b>	1075525
<b>Company registration number</b>	03524187
<b>Principal office and registered office</b>	29 Lower Brook Street Ipswich Suffolk IP4 1AQ

#### The trustees

The trustees who served during the period and at the date of approval were as follows:

P Attard Montalto  
A Chisholm  
Sir R Dunbar  
B Elwes  
K Hauptfleisch (appointed 18 September 2023)  
Dr S Lalor  
L Seligman  
J Sellars  
R Sellars  
AM Smyth (resigned 24 November 2023)  
PJ Smyth (resigned 24 November 2023)

<b>Auditor</b>	Lovewell Blake LLP Chartered accountants & statutory auditor Bankside 300 Peachman Way Broadland Business Park Norwich NR7 0LB
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<b>Bankers</b>	Barclays Bank Plc Ipswich IP1 1PB
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# **Breadline Africa**

**Company Limited by Guarantee**

**Trustees' annual report (incorporating the directors' report) *(continued)***

**Period from 1 April 2023 to 31 December 2023**

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	Santander UK PLC 2nd Floor Bell Hotel 5 Orford Hill Norwich NR1 3QB
<b>Solicitors</b>	Bates Wells Braithewaite Queen Street Place London EC4R 1BE

# **Breadline Africa**

## **Company Limited by Guarantee**

### **Trustees' annual report (incorporating the directors' report) *(continued)***

#### **Period from 1 April 2023 to 31 December 2023**

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##### **Objectives and activities**

The charity's objective is to promote in Africa any purpose which is charitable according to the laws of England and Wales including but not exclusively the relief of poverty.

The principal activity is the provision of converted shipping containers, prefabricated and alternative infrastructure units for poverty relief in Southern Africa in under-resourced communities. In recent years, Breadline Africa has focused its attention on infrastructure projects that benefit early childhood development (i.e. pre-schools that provide educational support to children between the ages of one and six years), as well as primary and secondary school learners. Structures include classrooms, kitchens, multipurpose and toilets in pre- and primary schools as well as libraries and feeding kitchens in pre- and primary schools.

Although Breadline Africa's primary focus is on providing infrastructure solutions to further educational outcomes, we also support feeding initiatives and outings for young children.

The trustees have had regard to the Charity Commission's general guidance on public benefit in planning and carrying out the charity's activities during the year.

##### **Financial year-end change**

During the year there was a transition of the financial year-end from March to December for all Breadline Africa entities across different countries. This strategic shift is instrumental in streamlining our financial reporting processes, aligning with international standards, and enhancing overall operating efficiency.

This alignment will enable better synchronisation of financial reporting across all entities, facilitating more accurate financial analysis, planning and forecasting. The change will also enhance our ability to respond to donor and regulatory reporting requirements promptly as it aligns to our calendar years.

##### **Achievements and performance**

We have continued our extensive fundraising programme, largely through direct mail appeals and are also actively seeking additional ways of raising funds. Our sister charity, Breadline Africa (RSA) NPC, has continued to provide infrastructure for the education of children and poverty alleviation in disadvantaged communities and they have raised additional funds from South African individuals, companies and grant foundations.

During the year, Breadline Africa (RSA) NPC placed 195 facilities which included 33 Early Childhood Development (ECD/pre-school) units consisting of kitchens, classrooms and toilets; 20 Brick and Mortar classrooms; 62 pour-flush toilets; 66 low-flush pit toilet replacements; 6 kitchens; 6 libraries and 2 other versatile units. This has helped us to impact and improve the learning environment of over 265,000 young children to date.

Breadline Africa (RSA) NPC continued throughout the year with its feeding programme which has supported beneficiaries through the provision of staple food items. This initiative started at the outset of the COVID-19 pandemic and more than 4.6 million meals have been provided to date. We continue to provide nourishing breakfasts to 23 pre-schools and one community kitchen - amounting to around 34,000 meals per month.

Our newsletters have highlighted several of the developmental projects undertaken during the year, which have maintained the themes pursued in earlier years. These have included classrooms and toilets for increased numbers of children in pre-schools, kitchens to provide daily meals for children and libraries for primary school children.

# **Breadline Africa**

## **Company Limited by Guarantee**

### **Trustees' annual report (incorporating the directors' report) *(continued)***

#### **Period from 1 April 2023 to 31 December 2023**

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##### **Achievements and performance *(continued)***

We have continued our strategy of working with community-based organisations that are also supported by other resource and training partners. These partners contribute towards the long-term success and sustainability of our beneficiary organisations by ensuring that staff and children have ongoing access to teaching and learning materials, literacy resources, educational toys, on-site staff training and mentoring and or nutritional support. Our libraries are all placed in partnership with a literacy partner such as Room to Read, Biblionef and/or help2read.

All projects applying for funds are screened by Breadline Africa (RSA) NPC staff to ensure that they meet agreed standards and criteria, and implementation is tracked via a monitoring and evaluation process.

##### **Financial review**

During the year, comparing year-on-year performance based on the new shortened financial year, funds from new donors have decreased, as factors like inflation due to economic conditions have affected donors' disposable income, especially in the older donors.

Mail quantities have declined due to our donor numbers dropping, but our active donors continue to give. We value the support from our well-established and loyal donor base which provided a major part of our funding and is vitally important to fund the ongoing work of the charity. Our direct mail activities comply with the Code of Fundraising Practice and align to the General Data Protection Policy.

This year we once again received significant funds from legacies which is a testament to our loyal donor base.

The continued increase in grant distribution to South Africa reflects the increased number of infrastructure units placed in impoverished communities.

##### **Reserves policy**

All net funds raised during the financial year are allocated to infrastructure and other projects as well as to the sustainability of the charity. The trustees maintain an operating reserve ("the Operating Reserve") to ensure the continuity of the charity in situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding or uninsured losses.

A sum sufficient to cover the operational expenses of Breadline Africa UK will continue to be maintained in the books of the charity. The current sum is set at £35,000 which covers six months' future operational costs as indicated in note 15.

##### **Plans for future periods**

We have referred to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the agreed aims and objectives. Breadline Africa will continue to support social welfare and development projects that meet our criteria and to explore ways of innovating and improving fundraising effectiveness to ensure future sustainability.

##### **Structure, governance and management**

###### **Governing document**

The charity is constituted as a company limited by guarantee, and is governed by the terms of the Memorandum and Articles adopted on 11 April 2012. It has no share capital and in the event of liquidation the liability of the members is limited to £10 each. The company is registered as a charity by the Charity Commission, under registration number 1075525.

# **Breadline Africa**

## **Company Limited by Guarantee**

### **Trustees' annual report (incorporating the directors' report) *(continued)***

#### **Period from 1 April 2023 to 31 December 2023**

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#### **Structure, governance and management *(continued)***

##### **Appointment, induction and training of trustees**

The overall governance and financial responsibility is vested in the trustees. The current trustees and details of the appointments and retirements during the year are as set out on page 1.

The trustees are also directors of the charity for the purposes of company law. Trustees holding an executive office are exempted from the requirement to retire by rotation. Further trustees may be appointed at any time, at the discretion of the trustees.

Many of the current trustees have been involved with the organisation for a number of years and are familiar with the practical work of the charity. New trustees are invited to a meeting with the Chairman at which details of the charity and the context within which it operates are provided, including:

- The obligations of the trustees;
- The operational framework of the charity including the Memorandum and Articles of Association;
- Resourcing and the current financial position including the latest published and management accounts;
- Future plans and objectives.

##### **Risk Management**

The trustees have identified the major risks facing the charity and have assessed their potential impact. Appropriate systems have been established to monitor and mitigate these risks.

##### **Organisational structure**

The trustee board comprises of a minimum of 3 members who meet annually and are responsible for the strategic direction and policy of the charity. At present the board has 9 members from a variety of backgrounds relevant to the work of the charity. The trustees have sole discretion over the award of grants from the charity's funds.

The charity's fund-raising operation and project management is administered in South Africa by Breadline Africa (RSA) NPC, a sister charity registered in South Africa.

##### **Fundraising standards**

The board of trustees supports raising funds from the public in relation to our core activities. The Charity is registered with the Fundraising Regulator. There have been no complaints about fundraising activity this year.

The charity has signed up to the Fundraising Regulator's Code of Fundraising Practice. All fundraising guidance and working practices have been or are being updated so that they are compliant. Fundraisers are also given a briefing before they raise funds for the Charity and will also be given annual updates/reminders via communication from the fundraising department.

All marketing material or information sent from the Charity contains clear instructions on how a person can be removed from the mailing lists and is GDPR compliant.

# Breadline Africa

## Company Limited by Guarantee

### Trustees' annual report (incorporating the directors' report) *(continued)*

#### Period from 1 April 2023 to 31 December 2023

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##### Trustees' responsibilities statement

The trustees (who are also directors for the purposes of company law) are responsible for preparing the trustee's 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 trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 methods and principles in the Charities SORP 2019 (FRS102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

##### Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

##### Small company provisions

This report has been prepared taking advantage of the small companies' exemption of section 415A of the Companies Act 2006.



## **Breadline Africa**

### **Company Limited by Guarantee**

#### **Trustees' annual report (incorporating the directors' report) *(continued)***

#### **Period from 1 April 2023 to 31 December 2023**

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The trustees' annual report was approved on 22 April 2024 and signed on behalf of the board of trustees by:

Sir R Dunbar  
Trustee

# **Breadline Africa**

## **Company Limited by Guarantee**

### **Independent auditor's report to the members of Breadline Africa**

**Period from 1 April 2023 to 31 December 2023**

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#### **Opinion**

We have audited the financial statements of Breadline Africa (the 'charity') for the period ended 31 December 2023 which comprise the statement of financial activities (including income and expenditure account), balance sheet, statement of cash flows and the related notes, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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.

# **Breadline Africa**

## **Company Limited by Guarantee**

### **Independent auditor's report to the members of Breadline Africa** *(continued)*

#### **Period from 1 April 2023 to 31 December 2023**

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##### **Other information**

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 the purposes of company law, for the financial period 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.

##### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within 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, 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

# **Breadline Africa**

## **Company Limited by Guarantee**

### **Independent auditor's report to the members of Breadline Africa** *(continued)*

**Period from 1 April 2023 to 31 December 2023**

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#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charity 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

# Breadline Africa

## Company Limited by Guarantee

### Independent auditor's report to the members of Breadline Africa *(continued)*

#### Period from 1 April 2023 to 31 December 2023

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##### **Auditor 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:

In addition to discussions with the client regarding the potential areas for irregularities and non compliance the following tests were also performed;

- Enquiry of management and those charged with governance;
- Enquiry of entity staff compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, testing of journal entries and other adjustments for appropriateness, evaluation the rational of significant transactions outside the normal course of activities and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

# **Breadline Africa**

## **Company Limited by Guarantee**

### **Independent auditor's report to the members of Breadline Africa** *(continued)*

#### **Period from 1 April 2023 to 31 December 2023**

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##### **Use of our report**

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Proctor FCA DChA (Senior Statutory Auditor)

For and on behalf of  
Lovewell Blake LLP  
Chartered accountants & statutory auditor  
Bankside 300  
Peachman Way  
Broadland Business Park  
Norwich  
NR7 0LB

13 May 2024

# Breadline Africa

## Company Limited by Guarantee

### Statement of financial activities (including income and expenditure account)

Period from 1 April 2023 to 31 December 2023

		Unrestricted funds £	31 Dec 23 Restricted funds £	Total funds £	31 Mar 23 Total funds £
	Note				
<b>Income and endowments</b>					
Donations and legacies	5	698,946	70,244	769,190	854,168
Investment income	6	1,855	–	1,855	1,753
<b>Total income</b>		<u>700,801</u>	<u>70,244</u>	<u>771,045</u>	<u>855,921</u>
<b>Expenditure</b>					
Raising funds					
Costs of raising donations and legacies	7	(12,963)	–	(12,963)	(17,271)
Charitable activities	8	(687,838)	(70,244)	(758,082)	(826,650)
<b>Total expenditure</b>		<u>(700,801)</u>	<u>(70,244)</u>	<u>(771,045)</u>	<u>(843,921)</u>
<b>Net income and net movement in funds</b>					
		<u>–</u>	<u>–</u>	<u>–</u>	<u>12,000</u>
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>35,000</u>	<u>–</u>	<u>35,000</u>	<u>23,000</u>
<b>Total funds carried forward</b>		<u>35,000</u>	<u>–</u>	<u>35,000</u>	<u>35,000</u>

The statement of financial activities includes all gains and losses recognised in the period.  
All income and expenditure derive from continuing activities.

The notes on pages 16 to 23 form part of these financial statements.

# Breadline Africa

## Company Limited by Guarantee

### Balance sheet

31 December 2023

	Note	31 Dec 23 £	£	31 Mar 23 £	£
<b>Current assets</b>					
Debtors	12	400,013		244,948	
Cash at bank and in hand		39,200		40,759	
		<u>439,213</u>		<u>285,707</u>	
<b>Creditors: Amounts falling due within one year</b>	13	<u>(404,213)</u>		<u>(250,707)</u>	
<b>Net current assets</b>			35,000		35,000
<b>Total assets less current liabilities</b>			<u>35,000</u>		<u>35,000</u>
<b>Net assets</b>			<u>35,000</u>		<u>35,000</u>
<b>Funds of the charity</b>					
Unrestricted funds			35,000		35,000
<b>Total charity funds</b>	14		<u>35,000</u>		<u>35,000</u>

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

These financial statements were approved by the board of trustees and authorised for issue on 22 April 2024, and are signed on behalf of the board by:

Sir R Dunbar  
Trustee

Company registration number: 03524187

The notes on pages 16 to 23 form part of these financial statements.



# Breadline Africa

## Company Limited by Guarantee

### Statement of cash flows

Period from 1 April 2023 to 31 December 2023

	31 Dec 23 £	31 Mar 23 £
<b>Cash flows from operating activities</b>		
Net income	–	12,000
<i>Adjustments for:</i>		
Other interest receivable and similar income	(1,855)	(1,753)
<i>Changes in:</i>		
Trade and other debtors	(155,065)	(27,984)
Trade and other creditors	153,506	36,243
Cash generated from operations	(3,414)	18,506
Interest received	1,855	1,753
Net cash (used in)/from operating activities	(1,559)	20,259
<b>Net (decrease)/increase in cash and cash equivalents</b>	(1,559)	20,259
<b>Cash and cash equivalents at beginning of period</b>	40,759	20,500
<b>Cash and cash equivalents at end of period</b>	39,200	40,759

The notes on pages 16 to 23 form part of these financial statements.

# **Breadline Africa**

## **Company Limited by Guarantee**

### **Notes to the financial statements**

**Period from 1 April 2023 to 31 December 2023**

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#### **1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is 29 Lower Brook Street, Ipswich, Suffolk, IP4 1AQ.

#### **2. Statement of compliance**

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis.

##### **Going concern**

The accounts have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient for the charity to be able to continue as a going concern.

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal.

# Breadline Africa

## Company Limited by Guarantee

### Notes to the financial statements *(continued)*

#### Period from 1 April 2023 to 31 December 2023

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#### 3. Accounting policies *(continued)*

##### Income

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

##### Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Foreign currencies

Exchange differences arising on the retranslation of foreign currency assets and liabilities at the period end are included in the Statement of Financial Activities. All foreign currency transactions are translated at the point of transaction using the rate in force.

The exchange rates used in these financial statements are as follows:

31 December 2023:	£1 = EUR 1.13
31 March 2023:	£1 = EUR 1.14

# Breadline Africa

## Company Limited by Guarantee

### Notes to the financial statements *(continued)*

#### Period from 1 April 2023 to 31 December 2023

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#### 3. Accounting policies *(continued)*

##### Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

#### 4. Limited by guarantee

The charity is a company limited by guarantee and does not have share capital. Every member of the charity undertakes to contribute such amounts (not exceeding £10) as may be required in the event of a winding up.

#### 5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds Dec 2023 £
<b>Donations</b>			
Donations	372,301	70,244	442,545
<b>Legacies</b>			
Legacies	326,645	—	326,645
	<u>698,946</u>	<u>70,244</u>	<u>769,190</u>

  

	Unrestricted Funds £	Restricted Funds £	Total Funds Mar 2023 £
<b>Donations</b>			
Donations	616,351	32,928	649,279
<b>Legacies</b>			
Legacies	204,889	—	204,889
	<u>821,240</u>	<u>32,928</u>	<u>854,168</u>

#### 6. Investment income

	Unrestricted Funds £	Total Funds Dec 2023 £	Unrestricted Funds £	Total Funds Mar 2023 £
Interest receivable	<u>1,855</u>	<u>1,855</u>	<u>1,753</u>	<u>1,753</u>

# Breadline Africa

## Company Limited by Guarantee

### Notes to the financial statements *(continued)*

Period from 1 April 2023 to 31 December 2023

#### 7. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds Dec 2023 £	Unrestricted Funds £	Total Funds Mar 2023 £
Mail handling charges and fees	12,963	12,963	17,271	17,271

#### 8. Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total Funds Dec 2023 £
Breadline Africa (RSA) NPC	623,475	–	623,475
Restricted fund grants	–	70,244	70,244
Support costs	64,363	–	64,363
	<u>687,838</u>	<u>70,244</u>	<u>758,082</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds Mar 2023 £
Breadline Africa (RSA) NPC	720,565	–	720,565
Restricted fund grants	–	32,928	32,928
Support costs	73,157	–	73,157
	<u>793,722</u>	<u>32,928</u>	<u>826,650</u>

#### Analysis of Support costs

	31 Dec 23 £	31 Mar 23 £
Staff costs:		
Wages and salaries	36,298	45,011
Office expenses:		
Computer costs, rent, telephone, postage, stationery and bank charges	20,385	22,026
Audit and accountancy fees	7,680	6,120
	<u>64,363</u>	<u>73,157</u>

#### 9. Auditors remuneration

	31 Dec 23 £	31 Mar 23 £
Fees payable for the audit of the financial statements	<u>5,880</u>	<u>4,320</u>
Fees payable to the charity's auditor and its associates for other services:		
Other non-audit services	<u>1,800</u>	<u>1,800</u>

# Breadline Africa

## Company Limited by Guarantee

### Notes to the financial statements *(continued)*

#### Period from 1 April 2023 to 31 December 2023

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#### 10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	31 Dec 23	31 Mar 23
	£	£
Wages and salaries	41,296	53,191

The average head count of employees during the period was 4 (Year to 31 March 2023: 4).

No employee received employee benefits of more than £60,000 during the period (Year to 31 March 2023: Nil).

The total compensation paid to key management personnel for services provided to the charity was £23,741 (Year to 31 March 2023: £29,188).

#### 11. Trustee remuneration and expenses

No trustee received remuneration or expenses during the period or the prior year.

#### 12. Debtors

	31 Dec 23	31 Mar 23
	£	£
Prepayments and accrued income	362,513	203,598
Other debtors	37,500	41,350
	<u>400,013</u>	<u>244,948</u>

The debtors above include the following amounts falling due after more than one year:

	31 Dec 23	31 Mar 23
	£	£
Other debtors	<u>35,000</u>	<u>35,000</u>

The other debtor due after more than one year relates to the operational reserve held by Breadline Africa (RSA) NPC.

The charity has been notified of additional legacies which have not been accrued for within the accounts as there is ongoing uncertainty over the value to be received.

#### 13. Creditors: Amounts falling due within one year

	31 Dec 23	31 Mar 23
	£	£
Accruals	5,880	5,880
Social security and other taxes	1,508	1,339
Other creditors	396,825	243,488
	<u>404,213</u>	<u>250,707</u>

# Breadline Africa

## Company Limited by Guarantee

### Notes to the financial statements *(continued)*

#### Period from 1 April 2023 to 31 December 2023

#### 14. Analysis of charitable funds

##### Designated funds

##### 31 December 2023

	Balance at 1 April 2023	Income	Expenditure	Transfer	Balance at 31 December 2023
	£	£	£	£	£
Operating reserve	35,000	—	—	—	35,000

##### 31 March 2023

	Balance at 1 April 2022	Income	Expenditure	Transfer	Balance at 31 March 2023
	£	£	£	£	£
Operating reserve	23,000	—	—	12,000	35,000

In prior periods the majority of the operating reserve was transferred to our sister charity Breadline Africa (RSA) NPC. The remaining balance covers the operational costs as mentioned in the reserves policy within the trustees report.

##### General funds

##### 31 December 2023

	Balance at 1 April 2023	Income	Expenditure	Transfer	Balance at 31 December 2023
	£	£	£	£	£
General fund	—	700,801	(700,801)	—	—

##### 31 March 2023

	Balance at 1 April 2022	Income	Expenditure	Transfer	Balance at 31 March 2023
	£	£	£	£	£
General fund	—	822,993	(810,993)	(12,000)	—

##### Restricted funds

##### 31 December 2023

	Balance at 1 April 2023	Income	Expenditure	Balance at 31 December 2023
	£	£	£	£
Infrastructure projects	—	69,644	(69,644)	—
Events	—	600	(600)	—
	—	70,244	(70,244)	—

# Breadline Africa

## Company Limited by Guarantee

### Notes to the financial statements *(continued)*

#### Period from 1 April 2023 to 31 December 2023

##### 31 March 2023

	Balance at 1 April 2022	Income	Expenditure	Balance at 31 March 2023
	£	£	£	£
Infrastructure projects	—	28,170	(28,170)	—
Feeding projects	—	4,658	(4,658)	—
Initiative projects	—	100	(100)	—
	<u>—</u>	<u>32,928</u>	<u>(32,928)</u>	<u>—</u>

#### 15. Analysis of net assets between funds

Period ended 31 December 2023

	Current Assets £	Current Liabilities £	Total £
<b>Unrestricted Income Funds</b>			
Designated Funds	35,000	—	35,000
General Funds	404,213	(404,213)	—
	<u>439,213</u>	<u>(404,213)</u>	<u>35,000</u>

Year ended 31 March 2023

	Current Assets £	Current Liabilities £	Total £
<b>Unrestricted Income Funds</b>			
Designated Funds	35,000	—	35,000
General Funds	250,707	(250,707)	—
	<u>285,707</u>	<u>(250,707)</u>	<u>35,000</u>

#### 16. Analysis of changes in net debt

	At 1 April 2023	Cash flows	At 31 December 2023
	£	£	£
Cash at bank and in hand	<u>40,759</u>	<u>(1,559)</u>	<u>39,200</u>



# Breadline Africa

## Company Limited by Guarantee

### Notes to the financial statements *(continued)*

#### Period from 1 April 2023 to 31 December 2023

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##### **17. Related parties**

The charity approved grants during the period of £693,719 (Year to 31 March 2023: £753,493) to Breadline Africa (RSA) NPC, a sister charity registered in South Africa, towards the costs of social welfare and development projects which it operates and manages. Included within other creditors at the period end is £396,362 (Year to 31 March 2023: £241,017) owed by Breadline Africa to Breadline Africa (RSA) NPC.

Breadline Africa (RSA) NPC holds the operational reserves of the charity totalling £35,000 (Year to 31 March 2023: £35,000). This amount is shown within other debtors.

Two trustees, P Attard Montalto and B Elwes are also trustees of Breadline Africa Endowment Fund NPC in South Africa. No transactions occurred in the year, or previous year, between the charity and the endowment fund.

During the period unrestricted donations of £2,650 (Year to 31 March 2023: £6,598) were received from 5 (Year to 31 March 2023: 7) trustees.

##### **18. Revenue commitments**

Revenue expenditure contracted for but not provided for in the financial statements at the end of the period totalled £nil (Year ended 31 March 2023: £5,478).