

COMPANY REGISTRATION NUMBER: 03524187
CHARITY REGISTRATION NUMBER: 1075525

Breadline Africa
Company Limited by Guarantee
Financial statements
31 December 2024

Breadline Africa

Company Limited by Guarantee

Financial statements

Year ended 31 December 2024

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Breadline Africa

Company Limited by Guarantee

Trustees' annual report (incorporating the directors' report)

Year ended 31 December 2024

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 year ended 31 December 2024.

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

| | |
|---|---|
| Registered charity name | Breadline Africa |
| Charity registration number | 1075525 |
| Company registration number | 03524187 |
| Principal office and registered office | Claydon Court Old Ipswich Road Claydon Ipswich Suffolk IP6 0AE |

The trustees

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

P Attard Montalto
Sir A Chisholm
Sir R Dunbar
B Elwes
K Hauptfleisch
Dr S Lalor
L Seligman
J Sellars
R Sellars

| | |
|----------------|--|
| Auditor | Lovewell Blake LLP Chartered accountants & statutory auditor Bankside 300 Peachman Way Broadland Business Park Norwich NR7 0LB |
|----------------|--|

| | |
|----------------|---|
| Bankers | Barclays Bank Plc Ipswich IP1 1PB |
|----------------|---|

Breadline Africa

Company Limited by Guarantee

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

Year ended 31 December 2024

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

Breadline Africa

Company Limited by Guarantee

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

Year ended 31 December 2024

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, toilets, offices and sickbays in pre-schools and libraries, feeding kitchens and toilets at 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.

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.

In 2024, we reached thousands of children, families, and communities through strategic investments in early childhood development, infrastructure, and sustainable support initiatives. We have expanded our reach and deepened our impact, ensuring more children have access to safe learning environments, essential resources, and life-changing opportunities.

- **20,000+ children** benefited from improved education infrastructure.
- **R20.6 million** invested in sanitation, bringing dignity and hygiene to underserved schools.
- **90% increase** in programme funding, strengthening child-focused initiatives.
- **137% surge** in corporate and foundation support, fuelling sustainable change.

From building classrooms to providing critical early learning support, every rand raised translated into real impact. The smiles, the dreams, and the futures we are shaping today tell the true story of a year dedicated to giving every child a fair start in life.

- **629 new infrastructure facilities** and **6 jungle gyms** delivered, including classrooms, kitchens, libraries, and toilets at early childhood centres (pre-schools) and schools.
- **538 new toilets and urinals** to replace unsafe pit toilets across 20 schools, benefitting 10,861 children and staff. The other 4 schools were done in 2023.
- Over **84,000 nutritious breakfast meals** served daily to **11 pre-schools**, helping to nourish growing minds. Nearly **200 families** received food parcels, ensuring they had nourishment during the cold winter months and some relief over Christmas.
- **240 children** experienced a special day at the beach, many seeing the ocean for the first time. From building sandcastles to playing in the waves, this experience created cherished memories.

Breadline Africa

Company Limited by Guarantee

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

Year ended 31 December 2024

Achievements and performance (continued)

- **Maintenance was carried out at 80 pre-schools**, revisiting past projects to repair and secure roofs, doors, and windows that had deteriorated. Many of these centres lacked the funds for essential, repairs, and our support ensured a safe and comfortable environment for the children and staff.

All projects applying for funds are screened by Breadline Africa 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, funds from new donors have decreased, as factors like inflation due to economic conditions have affected donors' disposable income especially among the older donors. However, despite global economic challenges, our loyal donor base continued to provide strong support, enabling us to make substantial investments in education, hygiene, and child welfare.

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 and maintenance projects and programmes supported in impoverished communities.

Reserves policy

All net funds raised during the financial year are allocated to infrastructure, maintenance and other projects as well as to the sustainability of the charity. The trustees maintain an operating reserve ("the Operational 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)*

Year ended 31 December 2024

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 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)*

Year ended 31 December 2024

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.

Small company provisions

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

The trustees' annual report was approved on 15 April 2025, 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 *(continued)*

Year ended 31 December 2024

Opinion

We have audited the financial statements of Breadline Africa (the 'charity') for the year ended 31 December 2024 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 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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.

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.

Breadline Africa

Company Limited by Guarantee

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

Year ended 31 December 2024

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.

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.

Auditor's responsibilities for the audit of the financial statements

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

Breadline Africa

Company Limited by Guarantee

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

Year ended 31 December 2024

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. This description forms part of our auditor's report.

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

2 June 2025

Breadline Africa

Company Limited by Guarantee

Statement of financial activities (including income and expenditure account)

Year ended 31 December 2024

| | | Year to 31 Dec 24 | | | Period from 1 Apr 23 to 31 Dec 23 |
|---|------|----------------------------|--------------------------|------------------|---|
| | Note | Unrestricted funds £ | Restricted funds £ | Total funds £ | Total funds £ |
| Income and endowments | | | | | |
| Donations and legacies | 5 | 534,694 | 35,439 | 570,133 | 769,190 |
| Investment income | 6 | 2,775 | — | 2,775 | 1,855 |
| Total income | | <u>537,469</u> | <u>35,439</u> | <u>572,908</u> | <u>771,045</u> |
| Expenditure | | | | | |
| Raising funds | | | | | |
| Costs of raising donations and legacies | 7 | (11,812) | — | (11,812) | (12,963) |
| Charitable activities | 8 | (525,657) | (35,439) | (561,096) | (758,082) |
| Total expenditure | | <u>(537,469)</u> | <u>(35,439)</u> | <u>(572,908)</u> | <u>(771,045)</u> |
| Net movement in funds | | — | — | — | — |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 35,000 | — | 35,000 | 35,000 |
| Total funds carried forward | | <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 year.
All income and expenditure derive from continuing activities.

The notes on pages 13 to 20 form part of these financial statements.

Breadline Africa

Company Limited by Guarantee

Balance sheet

31 December 2024

| | | 2024 | | 2023 | |
|---|------|-----------------|---------------|------------------|---------------|
| | Note | £ | £ | £ | £ |
| Current assets | | | | | |
| Debtors | 13 | 93,867 | | 400,013 | |
| Cash at bank and in hand | | 17,001 | | 39,200 | |
| | | <u>110,868</u> | | <u>439,213</u> | |
| Creditors: Amounts falling due within one year | 14 | <u>(75,868)</u> | | <u>(404,213)</u> | |
| Net current assets | | | 35,000 | | 35,000 |
| Total assets less current liabilities | | | <u>35,000</u> | | <u>35,000</u> |
| Net assets | | | <u>35,000</u> | | <u>35,000</u> |
| Funds of the charity | | | | | |
| Unrestricted funds | | | 35,000 | | 35,000 |
| Total charity funds | 15 | | <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 15 April 2025, and are signed on behalf of the board by:

Sir R Dunbar
Trustee

Company registration number: 03524187

The notes on pages 13 to 20 form part of these financial statements.

Breadline Africa

Company Limited by Guarantee

Statement of cash flows

Year ended 31 December 2024

| | 2024 £ | 2023 £ |
|---|-----------|-----------|
| Cash flows from operating activities | | |
| Net income | — | — |
| <i>Adjustments for:</i> | | |
| Other interest receivable and similar income | (2,775) | (1,855) |
| <i>Changes in:</i> | | |
| Trade and other debtors | 306,146 | (155,065) |
| Trade and other creditors | (328,345) | 153,506 |
| Cash generated from operations | (24,974) | (3,414) |
| Interest received | 2,775 | 1,855 |
| Net cash used in operating activities | (22,199) | (1,559) |
| Net decrease in cash and cash equivalents | (22,199) | (1,559) |
| Cash and cash equivalents at beginning of year | 39,200 | 40,759 |
| Cash and cash equivalents at end of year | 17,001 | 39,200 |

The notes on pages 13 to 20 form part of these financial statements.

Breadline Africa

Company Limited by Guarantee

Notes to the financial statements

Year ended 31 December 2024

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 Claydon Court, Old Ipswich Road, Claydon, Ipswich, Suffolk, IP6 0AE.

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)*

Year ended 31 December 2024

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.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line 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 2024: | £1 = EUR 1.21 |
| 31 December 2023: | £1 = EUR 1.13 |

Breadline Africa

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2024

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 2024 £ |
|------------------|----------------------------|--------------------------|--------------------------|
| Donations | | | |
| Donations | 478,587 | 35,439 | 514,026 |
| Legacies | | | |
| Legacies | 56,107 | — | 56,107 |
| | <u>534,694</u> | <u>35,439</u> | <u>570,133</u> |

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

6. Investment income

| | Unrestricted Funds £ | Total Funds 2024 £ | Unrestricted Funds £ | Total Funds 2023 £ |
|---------------------|----------------------------|--------------------------|----------------------------|--------------------------|
| Interest receivable | <u>2,775</u> | <u>2,775</u> | <u>1,855</u> | <u>1,855</u> |

Breadline Africa

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2024

7. Costs of raising donations and legacies

| | Unrestricted Funds £ | Total Funds 2024 £ | Unrestricted Funds £ | Total Funds 2023 £ |
|--------------------------------|----------------------------|-----------------------------------|----------------------------|--------------------------|
| Mail handling charges and fees | 11,812 | 11,812 | 12,963 | 12,963 |

8. Expenditure on charitable activities

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 2024 £ |
|----------------------------|----------------------------|--------------------------|-----------------------------------|
| Breadline Africa (RSA) NPC | 442,751 | – | 442,751 |
| Restricted fund grants | – | 35,439 | 35,439 |
| Support costs | 82,906 | – | 82,906 |
| | <u>525,657</u> | <u>35,439</u> | <u>561,096</u> |

| | Unrestricted Funds £ | Restricted Funds £ | Total Funds 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> |

Analysis of Support costs

| | 31 Dec 24 £ | 31 Dec 23 £ |
|---|------------------------|----------------|
| Staff costs: | | |
| Wages and salaries | 51,923 | 36,298 |
| Office expenses: | | |
| Computer costs, rent, telephone, postage, stationery and bank charges | 21,503 | 20,385 |
| Audit and accountancy fees | 9,480 | 7,680 |
| | <u>82,906</u> | <u>64,363</u> |

9. Net income

Net income is stated after charging/(crediting):

| | 2024 £ | 2023 £ |
|--------------------------|-------------------|-----------|
| Operating Lease payments | <u>3,115</u> | <u>–</u> |

Breadline Africa

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2024

10. Auditors remuneration

| | Year to 31 Dec 24 | Period from 1 Apr 23 to 31 Dec 23 |
|--|------------------------------|---|
| | £ | £ |
| Fees payable for the audit of the financial statements | <u>7,880</u> | <u>5,880</u> |
| Fees payable to the charity's auditor and its associates for other services: Other non-audit services | <u>1,600</u> | <u>1,800</u> |

11. Staff costs

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

| | 31 Dec 24 | 31 Dec 23 |
|--------------------|------------------|---------------|
| | £ | £ |
| Wages and salaries | 53,469 | 41,296 |
| Employers pension | <u>4,003</u> | <u>—</u> |
| | <u>57,472</u> | <u>41,296</u> |

The average head count of employees during the year was 4 (Period to 31 December 2023: 4).

No employee received employee benefits of more than £60,000 during the year (Period to 31 December 2023: Nil).

The total compensation paid to key management personnel for services provided to the charity was £29,328 (Period to 31 December 2023: £23,741).

12. Trustee remuneration and expenses

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

13. Debtors

| | 2024 | 2023 |
|--------------------------------|---------------|----------------|
| | £ | £ |
| Prepayments and accrued income | 53,867 | 362,513 |
| Other debtors | <u>40,000</u> | <u>37,500</u> |
| | <u>93,867</u> | <u>400,013</u> |

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

| | 2024 | 2023 |
|---------------|---------------|---------------|
| | £ | £ |
| Other debtors | <u>35,000</u> | <u>35,000</u> |

Breadline Africa

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2024

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.

14. Creditors: Amounts falling due within one year

| | 2024 | 2023 |
|---------------------------------|---------------|----------------|
| | £ | £ |
| Accruals | 5,880 | 5,880 |
| Social security and other taxes | 1,274 | 1,508 |
| Other creditors | 68,714 | 396,825 |
| | <u>75,868</u> | <u>404,213</u> |

15. Analysis of charitable funds

Designated funds

31 December 2024

| | Balance at 1 January 2024 | Income | Expenditure | Transfer | Balance at 31 December 2024 |
|-------------------|------------------------------|----------|-------------|----------|-----------------------------------|
| | £ | £ | £ | £ | £ |
| Operating reserve | <u>35,000</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>35,000</u> |

31 December 2023

| | Balance at 1 April 2023 | Income | Expenditure | Transfer | Balance at 31 December 2023 |
|-------------------|----------------------------|----------|-------------|----------|-----------------------------------|
| | £ | £ | £ | £ | £ |
| Operating reserve | <u>35,000</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>35,000</u> |

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 2024

| | Balance at 1 January 2024 | Income | Expenditure | Transfer | Balance at 31 December 2024 |
|--------------|------------------------------|----------------|------------------|----------|-----------------------------------|
| | £ | £ | £ | £ | £ |
| General fund | <u>—</u> | <u>537,469</u> | <u>(537,469)</u> | <u>—</u> | <u>—</u> |

31 December 2023

| | Balance at 1 April 2023 | Income | Expenditure | Transfer | Balance at 31 December 2023 |
|--------------|----------------------------|----------------|------------------|----------|-----------------------------------|
| | £ | £ | £ | £ | £ |
| General fund | <u>—</u> | <u>700,801</u> | <u>(700,801)</u> | <u>—</u> | <u>—</u> |

Breadline Africa

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2024

15. Analysis of charitable funds (continued)

Restricted funds

31 December 2024

| | Balance at 1 January 2024 | Income | Expenditure | Balance at 31 December 2024 |
|-------------------------|------------------------------|--------|-------------|-----------------------------------|
| | £ | £ | £ | £ |
| Infrastructure projects | — | 35,439 | (35,439) | — |
| | — | 35,439 | (35,439) | — |

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) | — |

16. Analysis of net assets between funds

Year ended 31 December 2024

| | Current Assets £ | Current Liabilities £ | Total £ |
|----------------------------------|------------------------|-----------------------------|---------------|
| Unrestricted Income Funds | | | |
| Designated Funds | 35,000 | — | 35,000 |
| General Funds | 75,868 | (75,868) | — |
| | <u>110,868</u> | <u>(75,868)</u> | <u>35,000</u> |

Period ended 31 December 2023

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

17. Analysis of changes in net debt

| | At 1 January 2024 | Cash flows | At 31 December 2024 |
|--------------------------|----------------------|-----------------|---------------------------|
| | £ | £ | £ |
| Cash at bank and in hand | <u>39,200</u> | <u>(22,199)</u> | <u>17,001</u> |

Breadline Africa

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2024

18. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

| | 2024 | 2023 |
|-----------------------|-------|------|
| | £ | £ |
| Not later than 1 year | 3,806 | — |

19. Related parties

The charity approved grants during the year of £478,190 (Period to 31 December 2023: £693,719) 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 year end is £68,152 (Period to 31 December 2023: £396,362) owed by Breadline Africa to Breadline Africa (RSA) NPC.

Breadline Africa (RSA) NPC holds the operational reserves of the charity totalling £35,000 (Period to 31 December 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 year unrestricted donations of £2,729 (Period to 31 December 2023: £2,650) were received from 6 (Period to 31 December 2023: 5) trustees.