

REGISTERED COMPANY NUMBER: 04769362 (England and Wales)
REGISTERED CHARITY NUMBER: 1101556

Report of the Trustees and
Financial Statements for the Year Ended 31 December 2021
for
Afrika Tikkun UK

Grant Harrod Lerman Davis LLP
Chartered Accountants
Statutory Auditors
1st Floor
Healthaid House
Marlborough Hill
Harrow
Middlesex
HA1 1UD

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for the year ended 31 December 2021**

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Afrika Tikkun UK

**Reference and Administrative Details
for the year ended 31 December 2021**

TRUSTEES

G Lubner CEO
E Beinart Chief Executive
L Bergman Management Consultant
K De Gier-Formanek CEO
G W Johnson Director (resigned 22.3.2021)
J A Julyan Barrister
N Olsha Solicitor
H W Sinclair Business Development

COMPANY SECRETARY

Stonehage Fleming Services Limited

REGISTERED OFFICE

15 Suffolk Street
London
SW1Y 4HG

**REGISTERED COMPANY
NUMBER**

04769362 (England and Wales)

**REGISTERED CHARITY
NUMBER**

1101556

AUDITORS

Grant Harrod Lerman Davis LLP
Chartered Accountants
Statutory Auditors
1st Floor
Healthaid House
Marlborough Hill
Harrow
Middlesex
HA1 1UD

LEGAL ADVISORS

Maitland & Co
5th Floor
44-48 Dover Street
London
W1S 4NX

BANKERS

Barclays Bank
68 Evington Rd
Leicester
LE2 1HJ

Chief Executive Officer
Carole Day

Development and Grants Coordinator
Claire McDonald (from 1.11.19)

Afrika Tikkun UK

Report of the Trustees for the year ended 31 December 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2021. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the Charity are to make grants for such charitable purposes as the Trustees shall in their absolute discretion think fit, in particular for the advancement of education, the preservation of health and the relief of poverty, distress and sickness of the inhabitants of South Africa mainly by supporting the work of Afrika Tikkun NPC, the Founder.

Grants from the Charity are made to organisations in South Africa which have the expertise and infrastructure to utilise the grants to achieve the objectives of the Charity.

Public benefit

In planning our activities and allocating the resources each year the Trustees have regard to both the Charity Commission's guidance on general benefit and on prevention of poverty for the public benefit. The Trustees always ensure that the programs supported are in line with our charitable objects and aims. The Trustees ambitious aim is to eradicate poverty and building self-sustaining communities in the areas where it works. The Trustees consider that they have complied with Section 17 of the Charities Act 2011 and the guidance issued by the Charity Commission 'public benefit: running a charity (PB2)'.

The trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity.

Grants

Grants were awarded to Afrika Tikkun NPC, who works toward the transformation of South African township communities.

Afrika Tikkun runs five community centres in South Africa - four in Gauteng (Alexandra, Braamfontein, Diepsloot and Orange Farm and one in the Western Cape (Mfuleni). The townships in which they operate are predominantly township areas and are characterised by poor infrastructure, high unemployment and extreme poverty.

The core beneficiaries are children and youth (aged 0 - 35) who are affected by extreme poverty, unemployment, gang violence, GBV, substance abuse and poor educational levels. The focus is on providing a continuity of support which meets the changing needs of children as they mature and grow up in order to enable them to become economically empowered young people. The work is diverse and interventions are implemented dependent on the unique needs of each community.

The programmes are divided into streams:

- Core Programmes - Early Childhood Development, Child and Youth Development & Career Development, Youth Accelerator Programme
- Support Programmes - Primary Health Care, Family Support Services, Nutrition and Food Security, 360 Social Support & Empowerment

Volunteers

There are no volunteers that work for the Charity on an ongoing and consistent basis.

Afrika Tikkun UK

Report of the Trustees for the year ended 31 December 2021

STRATEGIC REPORT

Reserves policy

The Charity's aim is to maintain minimal reserves, which should be sufficient to cover its expected non grant expenditure for at least 6 months. At the balance sheet date free reserves amounted to more than £75,000, which covers this expenditure.

Included in unrestricted funds are designated funds transferred in 2020 for use towards below designated projects in 2021:

- Digitisation (Digitising internal architecture and programme offerings and creating a learner management portal for accessing the digital offerings): £181,009
- CYD Alexandra Centre (Core programme costs incl ECD, CYD, YAP and secondary programmes): £225,685
- Cradle-to-career Scale Up (Pilot Scale-up of C2C model in 4 test communities): £198,794
- Uthando Roof Replacement: £12,914
- ECD Mfuleni Centre (ECD sponsorship - 65% of the Full ECD budget for Mfuleni Centre): £165,637
- Cruyff Court (Basketball and sports astro courts): £33,516
- Alexandra Refurbishments basketball and sports astro courts: £66,139
- Disability Inclusion: £93,545
- YAP (Scaling through technology through the provision of hardware and software to support the programme): £69,840
- Orange Farm Energy (Solar and Electricity Audit): £81,020

Future plans

Future plans for Afrika Tikkun UK aim to continue to raise funds to support Afrika Tikkun NPC in South Africa. This will be achieved through strengthening current partnerships, diversifying income streams, increasing contributions from new long-term donors and increasing the awareness of Afrika Tikkun UK within the UK.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Afrika Tikkun UK (the "Charity") is a Company limited by guarantee and is governed by its Memorandum and Articles of Association dated 19 May 2003.

Founder

The founder was Afrika Tikkun NPC, a charitable company incorporated in South Africa.

Charity constitution

The charity was formed as a company limited by guarantee on 19 May 2003. The Company registration number is 04769362. Registered with the Charity Commission - Registration Number 1101556.

Method of appointment of Trustees

Trustees are appointed at general meetings of the Charity. One third of the Trustees are required to retire by rotation at each Annual General Meeting of the Charity but are eligible for re-election. No person other than a Trustee retiring by rotation may be appointed or reappointed at any general meeting unless that person is recommended by the Trustees, or not less than fourteen days' notice has been given of the intention to propose such person as a Trustee.

Organisational structure

Material decisions of the Charity are taken by the Board of Trustees. The day to day running of the Charity is managed by the CEO, Carole Day and the charity administrator, Claire McDonald. The Charity does not have any employees.

The Charity does not undertake any significant fundraising events of its own but usually assists and participates in events and activities undertaken by others on the basis that the Charity is named as one of the beneficiaries of the relevant event. In the year ended 31 December 2021, virtually all of the Charity's income was derived from donations and gifts, with a small balance from fundraising activities and investment income.

Induction and training of new trustees

The induction process for any new trustee consists of an initial meeting with the Chairman of the board prior to the commencement of a mentoring process overseen by the chairman of the board and the charity administrator. The charity administrator oversees the day to day management and will induct the new trustee on fundraising, grant making, role and responsibilities.

Afrika Tikkun UK

**Report of the Trustees
for the year ended 31 December 2021**

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

COVID-19

Since the year-end the coronavirus pandemic has impacted upon many charities. At present, the Trustees' cannot currently quantify the financial impact the pandemic will have on the charity. The Trustees have also considered a number of scenarios and although careful and close management of income and expenditure will be needed, the Trustees' believe the charity will return to greater financial strength once the economy begins to grow again.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Afrika Tikkun UK for the purposes of company law) are responsible for preparing the Report of the Trustees 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 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Grant Harrod Lerman Davis LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 28/09/2022 and signed on the board's behalf by:

.....
G Lubner - Trustee

Report of the Independent Auditors to the Members of Afrika Tikkun UK

Opinion

We have audited the financial statements of Afrika Tikkun UK (the 'charitable company') for the year ended 31 December 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Afrika Tikkun UK**

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where 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.

Responsibilities of trustees

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

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

Report of the Independent Auditors to the Members of Afrika Tikkun UK

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We have obtained an understanding of the legal and regulatory frameworks applicable to the Company and the industry it operates. We determined that the following laws and regulations were most significant: FRS102/FRS102 Section 1A, Companies Act 2006, Health and Safety.

We obtained an understanding of how the Company is complying with those legal and regulatory frameworks by making enquiries of management, those responsible for legal and compliance procedures and the company secretary. Our findings were corroborated by review of the board minutes and papers prepared by the board of directors.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit team included:

- Obtaining an understanding of how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process.
- Challenging assumptions and judgements made by management in its significant accounting estimates
- Identifying and testing journal entries, with a focus on entries made with unusual accounting combinations.
- Identifying and assessing the design and effectiveness of controls management has in place to prevent and detect fraud.

We did not identify any key audit matters relating to irregularities, including fraud.

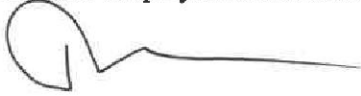
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Afrika Tikkun UK**

Use of our report

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



Jeremy Harrod FCCA (Senior Statutory Auditor)
for and on behalf of Grant Harrod Lerman Davis LLP
Chartered Accountants
Statutory Auditors
1st Floor
Healthaid House
Marlborough Hill
Harrow
Middlesex
HA1 1UD

Date: 28/9/22

Afrika Tikkun UK

**Statement of Financial Activities
for the year ended 31 December 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	1,384,977	1,501,953	2,886,930	2,113,503
Other trading activities	3	-	-	-	22
Investment income	4	260	-	260	194
Total		<u>1,385,237</u>	<u>1,501,953</u>	<u>2,887,190</u>	<u>2,113,719</u>
EXPENDITURE ON					
Charitable activities	5				
Charitable expenditure		845,594	815,368	1,660,962	2,161,139
Raising funds		84,647	-	84,647	94,341
Total		<u>930,241</u>	<u>815,368</u>	<u>1,745,609</u>	<u>2,255,480</u>
NET INCOME/(EXPENDITURE)		454,996	686,585	1,141,581	(141,761)
Transfers between funds	10	686,585	(686,585)	-	-
Net movement in funds		1,141,581	-	1,141,581	(141,761)
RECONCILIATION OF FUNDS					
Total funds brought forward		319,816	-	319,816	461,577
TOTAL FUNDS CARRIED FORWARD		<u>1,461,397</u>	<u>-</u>	<u>1,461,397</u>	<u>319,816</u>

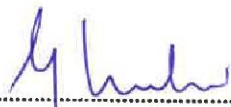
The notes form part of these financial statements

Afrika Tikkun UK

**Balance Sheet
31 December 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
CURRENT ASSETS					
Debtors	8	513,283	-	513,283	53,393
Cash at bank		952,914	-	952,914	271,223
		<u>1,466,197</u>	<u>-</u>	<u>1,466,197</u>	<u>324,616</u>
CREDITORS					
Amounts falling due within one year	9	(4,800)	-	(4,800)	(4,800)
NET CURRENT ASSETS		<u>1,461,397</u>	<u>-</u>	<u>1,461,397</u>	<u>319,816</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,461,397</u>	<u>-</u>	<u>1,461,397</u>	<u>319,816</u>
NET ASSETS		<u>1,461,397</u>	<u>-</u>	<u>1,461,397</u>	<u>319,816</u>
FUNDS	10				
Unrestricted funds				1,461,397	319,816
TOTAL FUNDS				<u>1,461,397</u>	<u>319,816</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 28/09/2022 and were signed on its behalf by:


G Lubner - Trustee

The notes form part of these financial statements

Afrika Tikkun UK

**Cash Flow Statement
for the year ended 31 December 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	681,431	1,877
Net cash provided by operating activities		681,431	1,877
Cash flows from investing activities			
Interest received		260	194
Net cash provided by investing activities		260	194
Change in cash and cash equivalents in the reporting period		681,691	2,071
Cash and cash equivalents at the beginning of the reporting period		271,223	269,152
Cash and cash equivalents at the end of the reporting period		952,914	271,223

The notes form part of these financial statements

Afrika Tikkun UK

**Notes to the Cash Flow Statement
for the year ended 31 December 2021**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	1,141,581	(141,761)
Adjustments for:		
Interest received	(260)	(194)
(Increase)/decrease in debtors	(459,890)	143,832
Net cash provided by operations	<u>681,431</u>	<u>1,877</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.1.21 £	Cash flow £	At 31.12.21 £
Net cash			
Cash at bank	271,223	681,691	952,914
	<u>271,223</u>	<u>681,691</u>	<u>952,914</u>
Total	<u>271,223</u>	<u>681,691</u>	<u>952,914</u>

The notes form part of these financial statements

**Notes to the Financial Statements
for the year ended 31 December 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), published by the Charity Commission in England & Wales (CCEW), effective January 2016, and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in February 2016), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

Nature of income

Voluntary income and donations is recognised in the statement of financial activities (SOFA) on a receivable basis, when the charity has entitlement to the receipt, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank. All income is accounted for gross, before deducting any related fees or costs.

Income recognition

Income, whether from exchange or non exchange transactions, is recognised in the statement of financial activities (SOFA) on a receivable basis, when a transaction or other event results in an increase in the charity's assets or a reduction in its liabilities and only when the charity has legal entitlement, the income is probable and can be measured reliably.

Income subject to terms and conditions which must be met before the charity is entitled to the resources is not recognised until the conditions have been met.

All income is accounted for gross, before deducting any related fees or costs.

Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated.

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

Taxation

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

Notes to the Financial Statements - continued
for the year ended 31 December 2021

1. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds are donations subjected to restrictions on their expenditure imposed by the donor or which the donor has specified are to be solely used for particular areas of the charity's work or when funds are raised for a particular purpose.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Allocating costs to activities

Direct costs that are specifically related to an activity are allocated to that activity. Shared direct costs and support costs are apportioned between activities.

Support costs which represent consultancy fees are allocated directly. Support costs are allocated to the activity categories according to time spent; the apportionment is analysed in the notes. Governance costs comprise all costs, involving public accountability of the charity and its compliance with regulation and good practice. Governance costs are allocated to expenditure on charitable activities.

Debtors

Debtors are measured at their recoverable amounts at the balance sheet date.

Grants payable

Grants are provided for when approved by the trustees. Grants payable are payments made to Afrika Tikkun NPC in the furtherance of the charitable objects of the Trust. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award.

The notification gives the recipient a reasonable expectation that they will receive the grant.

Grants awarded that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the charitable company.

Financial instruments

The charity only has financial instruments and liabilities of a kind that qualify as basic financial instruments which include grants payable and cash and bank balances. Basic financial instruments are initially recognised as transaction value and subsequently measured at their settlement value.

Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

Significance of financial instruments to the charity's position

There are no significant financial instruments held by the charity.

**Notes to the Financial Statements - continued
for the year ended 31 December 2021**

2. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	<u>2,886,930</u>	<u>2,113,503</u>

3. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Other income	<u>-</u>	<u>22</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>260</u>	<u>194</u>

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs £
Charitable expenditure	1,660,962
Raising funds	84,647
	<u>1,745,609</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2021 nor for the year ended 31 December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 December 2021 nor for the year ended 31 December 2020.

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	1,443,216	670,287	2,113,503
Other trading activities	22	-	22
Investment income	194	-	194
Total	<u>1,443,432</u>	<u>670,287</u>	<u>2,113,719</u>
EXPENDITURE ON			
Charitable activities			
Charitable expenditure	1,190,165	970,974	2,161,139
Raising funds	94,341	-	94,341
Total	<u>1,284,506</u>	<u>970,974</u>	<u>2,255,480</u>

**Notes to the Financial Statements - continued
for the year ended 31 December 2021**

7. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
NET INCOME/(EXPENDITURE)	158,926	(300,687)	(141,761)
Transfers between funds	(300,687)	300,687	-
Net movement in funds	(141,761)	-	(141,761)
RECONCILIATION OF FUNDS			
Total funds brought forward	461,577	-	461,577
TOTAL FUNDS CARRIED FORWARD	319,816	-	319,816

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Prepayments and accrued income	513,283	53,393

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Accrued expenses	4,800	4,800

10. MOVEMENT IN FUNDS

	At 1.1.21 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	319,816	454,996	686,585	1,461,397
Restricted funds				
Community training and Gardens	-	90,495	(90,495)	-
Core - ECD/CYD/YAP/Nutrition/360	-	663,561	(663,561)	-
Social Services	-	(25,412)	25,412	-
Technology Transforms Lives	-	(50,244)	50,244	-
Sustainable Solutions	-	5,800	(5,800)	-
Boreholes	-	2,385	(2,385)	-
Food Relief	-	-	-	-
	-	686,585	(686,585)	-
TOTAL FUNDS	319,816	1,141,581	-	1,461,397

**Notes to the Financial Statements - continued
for the year ended 31 December 2021**

10. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,385,237	(930,241)	454,996
Restricted funds			
Community training and Gardens	91,714	(1,219)	90,495
Digital Commons and Learning Libraries	58,670	(58,670)	-
Core - ECD/CYD/YAP/Nutrition/360			
Social Services	836,239	(172,678)	663,561
Technology Transforms Lives	7,065	(32,477)	(25,412)
Sustainable Solutions	500,000	(550,244)	(50,244)
Boreholes	5,800	-	5,800
Food Relief	2,465	(80)	2,385
	<u>1,501,953</u>	<u>(815,368)</u>	<u>686,585</u>
TOTAL FUNDS	<u>2,887,190</u>	<u>(1,745,609)</u>	<u>1,141,581</u>

Comparatives for movement in funds

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.20 £
Unrestricted funds				
General fund	461,577	158,926	(300,687)	319,816
Restricted funds				
Community training and Gardens	-	(7,912)	7,912	-
Digital Commons and Learning Libraries	-	(69,096)	69,096	-
Covid-19 Emergency	-	(2,019)	2,019	-
Core - ECD/CYD/YAP/Nutrition/360				
Social Services	-	(286,771)	286,771	-
Technology Transforms Lives	-	65,111	(65,111)	-
	<u>-</u>	<u>(300,687)</u>	<u>300,687</u>	<u>-</u>
TOTAL FUNDS	<u>461,577</u>	<u>(141,761)</u>	<u>-</u>	<u>319,816</u>

**Notes to the Financial Statements - continued
for the year ended 31 December 2021**

10. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	1,443,432	(1,284,506)	158,926
Restricted funds			
Community training and Gardens	43,480	(51,392)	(7,912)
Digital Commons and Learning Libraries	67,539	(136,635)	(69,096)
360 Social Services	25,000	(25,000)	-
Covid-19 Emergency	395,351	(397,370)	(2,019)
Core - ECD/CYD/YAP/Nutrition/360			
Social Services	30,766	(317,537)	(286,771)
Technology Transforms Lives	108,151	(43,040)	65,111
	<u>670,287</u>	<u>(970,974)</u>	<u>(300,687)</u>
TOTAL FUNDS	<u>2,113,719</u>	<u>(2,255,480)</u>	<u>(141,761)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.1.20 £	Net movement in funds £	Transfers between funds £	At 31.12.21 £
Unrestricted funds				
General fund	461,577	613,922	385,898	1,461,397
Restricted funds				
Community training and Gardens	-	82,583	(82,583)	-
Digital Commons and Learning Libraries	-	(69,096)	69,096	-
Covid-19 Emergency	-	(2,019)	2,019	-
Core - ECD/CYD/YAP/Nutrition/360				
Social Services	-	376,790	(376,790)	-
Technology Transforms Lives	-	39,699	(39,699)	-
Sustainable Solutions	-	(50,244)	50,244	-
Boreholes	-	5,800	(5,800)	-
Food Relief	-	2,385	(2,385)	-
	-	<u>385,898</u>	<u>(385,898)</u>	-
TOTAL FUNDS	<u>461,577</u>	<u>999,820</u>	<u>-</u>	<u>1,461,397</u>

**Notes to the Financial Statements - continued
for the year ended 31 December 2021**

10. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,828,669	(2,214,747)	613,922
Restricted funds			
Community training and Gardens	135,194	(52,611)	82,583
Digital Commons and Learning Libraries	126,209	(195,305)	(69,096)
360 Social Services	25,000	(25,000)	-
Covid-19 Emergency	395,351	(397,370)	(2,019)
Core - ECD/CYD/YAP/Nutrition/360			
Social Services	867,005	(490,215)	376,790
Technology Transforms Lives	115,216	(75,517)	39,699
Sustainable Solutions	500,000	(550,244)	(50,244)
Boreholes	5,800	-	5,800
Food Relief	2,465	(80)	2,385
	<u>2,172,240</u>	<u>(1,786,342)</u>	<u>385,898</u>
TOTAL FUNDS	<u>5,000,909</u>	<u>(4,001,089)</u>	<u>999,820</u>

Included in unrestricted funds are designated funds transferred in 2021 for use towards below designated projects in 2022:

- Digitisation (Digitising internal architecture and programme offerings): £181,009
- CYD Alexandra Centre (Core programme costs, Learner Management System, Digital books): £225,685
- Cradle-to-Career Scale Up (Pilot Scale-up of C2C model in 4 test communities): £198,794
- Uthando Roof Replacement: £12,914
- ECD Mfuleni Centre (ECD sponsorship - 65% of the Full ECD budget for Mfuleni Centre): £165,637
- Cruyff Court: £33,516

Restricted funds:-**All sites**

- All sites operated by Afrika Tikkun NPC in South Africa.

Gauteng

- Diepsloot, Orange Farm, Braamfontein and Alexandra .

Western Cape

- Mfuleni

YSDP

- Youth Skills Development Programme

Empowerment

- Empowerment Programme

**Notes to the Financial Statements - continued
for the year ended 31 December 2021**

10. MOVEMENT IN FUNDS - continued

All sites ECD

- Early Childhood Development at all sites operated by Afrika Tikkun NPC in South Africa

Sundry other funds

- Miscellaneous

ICT Centres

- Information Technology Centres complete with computers and digital learning tools

Libraries

- Resource libraries

360 Social Services

- A core aspect of Afrika Tikkun's service provision, the 360° programme provides health, social and psychosocial assistance to beneficiaries.

Community Training and Gardens

- Programme combining agriculture and entrepreneurial training to economically empower unemployed youth.

Technology Transforms Lives

- Technology Transforms Lives is a programme dedicated to providing young people with Technology and IT skills (through accredited training) while simultaneously pairing students of this course with industry professional in a mentorship relationship.

Core - ECD/CYD/YAP/Nutrition/360 Social Services

- Our core programmes refer to the 3 central educational programme pillars that Afrika Tikkun offers as well as the social and health services. These include Early Childhood Development (ECD) for ages 2-6; Child and Youth Development (CYD) for ages 7 – 18; Youth Acceleration Program (YAP) for ages 18-21; and our cross cutting 360° Social Support Services which are offered across all programs.

Covid-19 Emergency

- When the Covid-19 pandemic hit South Africa in 2020 it became evident that there were immediate concerns around food security, health and safety for members of our communities. 'Covid-19 Emergency' thus refers to funds raised to support ongoing emergency relief efforts related to the pandemic.

Digital Commons and Learning Libraries

- Collaborative digital spaces for learning and projects

Digital Book Libraries

- Hardcopy book libraries

**Notes to the Financial Statements - continued
for the year ended 31 December 2021**

11. RELATED PARTY DISCLOSURES

During the year, fees totalling £84,966 (2020: £84,996) were payable to TAG Consultancy UK Ltd, a company controlled by the CEO, for services provided to the charity. Fees totalling £30,000 (2020: £27,250) were payable to Claire L McDonald, for Administration and Grants consulting.

12. POST BALANCE SHEET EVENTS

Since the year-end the coronavirus pandemic has impacted both nationally and internationally. At this stage the trustees are unable to estimate with any certainty the financial impact that the pandemic will have on the charity. However, the trustees have taken steps to minimise the financial impact on the charity.