

Company Registration Number: 04823686
Charity Registration Number: 1103256
SC043082

Ripple Africa

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 May 2021

Ripple Africa

C O N T E N T S

Page 1	Reference and Administrative Details
Pages 2 to 7	Trustees Report
Page 8	Statement of Trustees Responsibilities
Pages 9	Independent Examiners Report
Pages 10	Statements of Financial Activities
Pages 11	Balance Sheet
Page 12	Statement of Cash Flows
Pages 13 to 22	Notes to the Financial Statements

Ripple Africa**Reference and Administrative Details**

Trustees	Ms GL Jackson Mr TA Milton Mr CR Knight Mr G Furber
SECRETARY	Mrs PE Haigh
REGISTERED OFFICE:	Whiteleaf Business Centre 11 Little Balmer Buckingham Bucks MK18 1TF
Charity Registration Number	1103256 - England & Wales SC043082 - Scotland
Company Registration Number	04823686
Bankers	Lloyds Bank plc Market Square Leighton Buzzard Bedfordshire LU7 IEU First Merchant Bank Limited Private Bag 158 Mzuzu Malawi
Independent Auditor	ANTHISTLE CRAVEN Moreton House 31 High Street Buckingham Buckinghamshire MK18 1NU

Ripple Africa **Trustees Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 May 2021.

Status

Ripple Africa is a registered charity and also a private limited company. It is governed by its Memorandum and Articles of Association and the Companies Act 1985. Its Charity registration number with the Charity Commission of England and Wales is 1103256, its charity registration number with the Office of the Scottish Charity Regulator is SC043082, and its company registration number is 04823686.

Address

Whiteleaf Business Centre
11 Little Balmer
Buckingham
Bucks
MK18 1TF

Trustees

Gabrielle Jackson	(Director)	Re-elected	26/02/2021
Toby Milton	(Director)	Re-elected	14/02/2019
Charles Knight	(Director)	Elected	01/01/2016
Geoffrey Furber	(Director)	Elected	21/01/2016

According to the Charity's Memorandum and Articles of Association, all Trustees of the Charity are appointed. The Board of Trustees has the power at any time to appoint any person to be a trustee.

Retirement

- 1) At the first annual general meeting all the trustees must retire from office unless by the close of the meeting the members have failed to elect sufficient trustees to hold a quorate meeting of the trustees. At each subsequent annual general meeting one trustee or one-fifth of the trustees must retire from office.
- 2) The trustees to retire by rotation shall be those who have been longest in office since their last appointment. If any trustees became or were appointed trustees on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot.
- 3) If a trustee is required to retire at an annual general meeting by a provision of the articles the retirement shall take effect upon the conclusion of the meeting.

Objectives

The Charity's objectives are:

- to preserve and sustainably develop the environment
- to create opportunities for local communities
- to improve the standard of education and healthcare near our base in Nkhata Bay District

The trustees have reviewed the Charity Commission's general guidance on public benefit and have complied with the duty in Section 4 of the Charities Act 2006 to have regard to this guidance. The trustees always ensure that the projects undertaken by Ripple Africa are in line with the Charity's objectives.

Ripple Africa's ethos is "providing a hand UP and not a hand out," and we work by finding simple solutions to locally identified problems. We are the catalyst helping Malawians to sustainably manage their natural resources community by community.

Ripple Africa Trustees Report

Ripple Africa is a UK registered charity (1103256 and SC043082) focused on conservation, education and healthcare in northern Malawi, Africa. Founded in 2003, our mission is:

- To preserve and sustainably develop the environment
- To create opportunities for local communities
- To improve the standard of education and healthcare near our base in Nkhata Bay District

Ripple Africa's ethos is "**providing a hand UP and not a hand out,**" and we work by finding simple solutions to locally identified problems. We are the catalyst helping Malawians to sustainably manage their natural resources community by community.

ABOUT THE TEAM

In the UK, co-founders, Geoff and Liz Furber, have continued to work for the Charity for no pay. Pam Haigh is the UK General Manager, Nikki Luxford is Corporate Partnerships Manager and Project Coordinator and Claire Battersby is Ripple Africa's Administrator. We also have a part time Marketing Consultant, Laura Massey, working one day a week with us.

Kay Yoder manages Ripple Africa Inc, our partner in the USA, on a voluntary basis - helping us fundraise and supporting volunteers and visitors from the US. Kay is a valued member of the Ripple Africa team.

In Malawi, our Country Director is Force Ngwira. At the end of the year, 138 Malawian staff were employed by Ripple Africa, and about 7,000 local people worked with us on a voluntary basis on our environmental projects. Because of the COVID-19 pandemic, the UK team have been unable to visit Malawi during the year, but we have been delighted with the way our colleagues in Malawi have stepped up to provide the case studies, data and photos that we have needed for reports to funders. Force Ngwira and his team have also worked tirelessly to run Ripple Africa's environmental projects and plan the next steps for each of them.

VOLUNTEERS AND VISITORS

Due to the pandemic, we have had no volunteers in Malawi this year and only two visitors from another organisation who were already in Malawi. However, we have had two UK volunteers who have worked from home carrying out research to help with our marketing and fundraising. Manchester University and Aldenham School cancelled their trips.

PROJECTS – PERFORMANCE IN 2020/2021 AND FUTURE PLANS

ENVIRONMENT

Total number of local community members working on and benefiting from our environmental projects:

Project	Number of people
Fish conservation	3,100
Forest conservation	1,830
Tree planting	1,207
Changu Changu Moto	135
Improved Sweet Potatoes	447
Total	6,719

Fish Conservation

There continues to be enthusiasm from the Department of Fisheries to see our approach introduced in all Districts along Lake Malawi's shoreline. We have now extended the Fish for Tomorrow project into the whole of Salima and Dedza Districts and are continuing to support fishing communities in Nkhata Bay and Nkhotakota Districts.

- The project is now operating along 400 kilometres of lakeshore.
- We have established and trained 310 Fish Conservation Committees (now known as Beach Village Committees), each with 10 members and are therefore directly working with over 3,000 people, 30% of whom are women.

We have established and protect 85 key Chambo fish breeding areas

In Nkhata Bay District, we have been continuing to trial larger meshed nets to catch Usipa, which form over 70% of the fish caught in Lake Malawi. Many are caught at a very small size as fishers use either mosquito nets or very small meshed nets in the bunt (centre of the net). The new bylaws have set a minimum bunt size of 10 which has resulted in more larger fish being caught, but smaller ones still form part of the catch. We are trialling the use of Number 12 bunt size nets to reduce the number of smaller fish that are caught. In addition, we are continuing to support the 142 Beach Village Committees who are protecting 32 breeding areas, and we are in discussion with the District Council to trial the introduction of District permit fees to provide sustainable income for the continuation of the project.

In Nkhotakota District, Fish for Tomorrow was partly funded by The Darwin Initiative until April 2021. During the year our team have continued to work with the 65 Beach Village Committees in the District to help them carry out their activities, to audit the condition of the 13 Chambo breeding areas and to carry out monitoring on fish catches and income generated to measure the impact of the project.

Ripple Africa **Trustees Report**

We have been funded by the International Conservation Fund of Canada to extend the reach of the project into the whole of Salima and Dedza Districts. We have trained 103 Beach Village Committees who are actively protecting 40 Chambo breeding areas.

In Mangochi District, UNESCO funded Ripple Africa to carry out a scoping study in partnership with District Fisheries and the Department of Parks and Wildlife on the viability of introducing the Fish for Tomorrow project in the National Park. Following this, we have submitted a formal proposal for a two year project and are awaiting UNESCO's decision.

Forest Conservation

- The project was introduced in 2007.
- We are currently helping local people to protect 130 sq kms in Kandoli, 60 sq kms in Choma and approximately 150 sq kms in Nkhata Bay South hills.
- We have 183 Forest Conservation Committees of 10 members each in place in these three areas.
- The Forest Conservation Committees are ensuring that natural regeneration is allowed to take place in degraded areas.

We are still supporting 62 Forest Conservation Committees in Kandoli, but at a reduced level.

Forest Conservation in the Choma Hill area is still going well, despite the reduction in Forest Guards due to budgetary cuts in the Mzimba District Forestry Department. We have 62 Forest Conservation Committees set up here and many of these are now also engaged with our tree planting campaign. Our team here have been working with Forest Conservation Committees and the Forestry Department to find those illegally producing and selling charcoal. On one patrol they confiscated 145 50kg bags of charcoal and two motorbikes and the patrol led to the conviction of a charcoal trader.

The south area of Nkhata Bay District is still developing under John (Skip) Banda, and we now have 63 Conservation Committees working here. The distances involved in supporting conservation in this extremely large forested area are very large and our staff have to travel long distances over very poor roads to reach the remote villages.

Tree Planting

This year we have helped farmers, community groups, schools and households to plant almost 2 million trees in Mzimba District bringing the total planted since 2004 to 17 million trees. Of these, 1.85 million (93% of those delivered) were planted out in March 2021 and are now being cared for by the beneficiaries under the supervision of our team here.

Our biggest success is with commercial farmers who have a financial interest in ensuring that the trees grow successfully and those who are now experienced at germinating, planting out and caring for their trees are helping our staff to train their fellow farmers to help us expand the project further. We are encouraging our tree planters to also build Changu Changu Motos in order to further reduce the pressure on the remaining forests.

The Mwaya Tree Nursery team have been working with seven local schools and community groups to plant fruit trees. The students have really enjoyed putting into practice what they have learnt in Agriculture class.

Improved Sweet Potatoes

Existing farmers have continued growing orange fleshed sweet potatoes and we have received funding from donors in the US to enable us to expand the project further and increase the number of farmers with whom we are working.

We have delivered vines to an additional 1,128 farmers in Nkhata Bay District, 60% of whom were women. We also delivered vines to 200 farmers in Mzimba District. Virtually all had grown sweet potatoes before and have now been given 500 vines each of orange fleshed sweet potatoes. District Agricultural Extension workers here are helping us support the farmers and monitor yields.

Changu Changu Moto Fuel-Efficient Cookstoves

We are continuing to support the projects in Nkhata Bay and Mzimba Districts to ensure that the householders continue to use their Changu Changu Motos and to enable us to continue to earn carbon credits for their use.

With the two year continuation grant from Dining for Women (now renamed Together Women Rise) we have so far helped 1,919 householders in Mzimba District, many of whom are our tree planters who are keen to get involved in the project and a further 1,816 in the Dwambazi area of Nkhatakota District. Work is still continuing in the area around Mzuzu previously funded by Dining for Women. We have a coordinator here called Ethel Chipeta who has been ensuring that the cookstoves that have been built here are continuing to be used. Funding for this project area is being provided now from other sources. We now have over 5,201 cookstoves in use in this area.

We have recently been awarded 5,000 Euros to help an additional 350 households in the Ekwendeni area construct fuel-efficient cookstoves.

Carbon credits are selling gradually, and Sigma Global have been working closely with us to ensure that we find purchasers at the right price.

Ripple Africa

Trustees report

Plastic Waste

We are still working with communities in Kachere, Matete and Kande to find ways that they can reduce plastic waste. Malawi's new President, President Lazarus Chakwera, has instituted a national clean-up plan in Malawi. On the second Friday of every month between 2pm until 5pm, Malawians in urban and rural areas are encouraged to go out and clean-up their local area. However this has had to stop during the COVID-19 crisis although several villages are continuing their efforts and our staff in Malawi are supporting this initiative.

Future Plans for Environmental Projects

- We will continue to seek funds to enable us to continue to support fishing communities to protect fish stocks in Nkhata Bay, Nkhatakota, Salima and Dedza Districts and will also work with District Councils to introduce District fishing permits to provide sustainable long term project funding.
- If we are successful in getting UNESCO funding we will also introduce the project in the National Park area of Mangochi District.
- We will continue to support householders who have installed the Changu Changu Moto, help further households to build these, and will undertake kitchen performance tests annually for the carbon credit scheme.
- We will continue to support our Forest Conservation Committees to protect trees in the areas in which they work.
- Next year we plan to plant a further 2 million trees in the areas around Mzuzu.
- We will continue to increase the stocks of orange fleshed sweet potatoes in our area.
- We will continue to help communities in our area to reduce the use of single use plastics.

EDUCATION

Pre-schools

Due to COVID-19 we had to close our pre-schools again in January 2021 in line with the Government of Malawi restrictions imposed. We continued to pay the pre-school teachers even when schools were closed.

Training with Matilda, our Disabilities and Rehabilitation Coordinator, has continued to help teachers further develop techniques to engage all children attending irrespective of any disabilities.

Primary Schools

There were several school closures during the year because of COVID-19 and term dates have been changed as a consequence of this. However, now that schools have reopened we are continuing to employ four trainee teachers at the primary schools to reduce pressure on large class sizes.

We have carried out repair works at Mazembe Primary School as the roof collapsed on the Standard 7 and 8 classroom block. Fortunately this happened over a weekend so nobody was hurt. We have also repaired the basic classroom block at Matete Primary School and felled a tree that was causing concern following heavy winds.

To keep the students and teachers safe during the pandemic, we provided the six primary schools we support with extra buckets and soap so that the students and teachers could wash their hands regularly.

Kapanda Community Day Secondary School

As above, the school closures due to the pandemic have seen the Secondary School academic calendar change too.

Following on from helping them refurbish their study room into a school library, we have equipped the school library with four copies of each school textbook. We have built four more toilet blocks for the school and also two toilet blocks and an additional washroom at the Girls Dormitory as the girls were consistently late for class due to limited facilities.

We also provided Kapanda with buckets and soap so that the students and teachers could wash their hands regularly when schools reopened.

Secondary School Scholarship Scheme

We continue to fund students at Kapanda Secondary School who are in Form 4. We also support a smaller number of children at Government Secondary boarding schools which are very much more expensive. This year 31 students have graduated - 22 passed and nine failed. Of those graduating, four scored highly on their MCSE so hope to gain entry to university. We have 38 students remaining in Form 4 who will be the last students to be sponsored by Ripple Africa as we are finishing the scheme.

University Education

We received funding for our last four sponsored university students for this year. Two of these students will finish in our next financial year, but we have a pledge from one of our educational donors to provide enough funds for them to complete their degree courses.

Ripple Africa **Trustees Report**

Adult Literacy

Adult Education classes were disrupted due to the pandemic. During the time that schools and the library were closed, these did not run. Our teaching team were paid during the closed period.

The classes are typically attended by students from Open School at Kapanda. Open School is run by the teachers each afternoon after the normal school day has finished and offers the opportunity for people who were not fortunate enough to be selected for a secondary school place to gain a secondary education and the crucial exam results needed to get a good job. As the number of hours that Open School operates is less than the normal school day, many of these students struggle and attend extra lessons in the mornings, which are run by the library team to keep up with their coursework.

Community Library

In response to the coronavirus pandemic, and in line with other educational establishments in Malawi, we were forced to shut our community library for several months. However, when they reopened, members came back to read the newspapers and borrow books. During the closure Burton and his assistants John and Vitu continued to be paid.

As a result of the library being closed, the numbers recorded during 2020 were considerably lower than previous years. They recorded 1,206 borrowers visiting the library and 1,486 readers. They lent out 1,870 books and welcomed 46 new members.

Textbooks continue to be the most borrowed genre of books and we equipped the library with four more sets of each school textbook, helping students attending Kapanda Secondary School.

Children's Corner continues to run but again, it was cancelled when the library was closed.

Future Plans for Education

- We will continue to run the eight pre-schools and ensure the children receive an early years education and daily meal of sweet potato.
- We will continue to maintain primary school buildings when funding allows.
- We will continue to fund four trainee teachers as long as funding permits.
- We will continue to support the remaining students being sponsored at secondary school and university but will not take on any more students.
- We will continue to support and run the Library, Adult Education and Children's Corner sessions, and we will buy additional books when funding is available.

HEALTHCARE

Disabilities and Rehabilitation

We had 130 clients registered of which more than half received regular care and the others receive occasional visits and support.

We have continued to fund operations and equipment where required. Due to the pandemic we had to cancel group sessions at times and more recently, adapt them by having smaller numbers attending. However, Matilda has continued to support the clients and their families and has welcomed a number of new clients needing support. Matilda continues to carry out home visits.

During 2020, Matilda has supported children and adults with 40 different disabilities of which 33 have achieved significant milestones such as crawling, walking and speech improvements.

We have funded more than 25 children to receive operations and specialist equipment. Some have required hospital check-ups and others have met orthopaedic specialists to discuss operations including club foot and bow leg operations. Amongst those needing equipment, this has varied from standing frames and wheelchairs to prosthetics. The centre was known as 500 Miles but is to be handed over in June 2021 to Mzuzu Central Hospital and going forward, will be known as the Prosthetics and Orthotics Centre.

We monitor the progress of all our clients and 86 are showing signs of improvement, 41 no change and three are deteriorating.

Family Planning and Sexual Health

Khumbo and Watson have faced a challenging year as COVID-19 and the closure of schools have led to more underage pregnancies and early child marriages. Usually they reach on average 1,000 students each month across upper primary and secondary schools, but when schools closed they were unable to do this and they adapted by running more community sessions.

They will continue to work closely with the students – during Life Skills lessons at schools the students are active participants in discussions about family planning, but out of school they feel uncomfortable about visiting the health centre for advice.

During the year Khumbo and Watson have increased the number of couples they have worked with from 24 to 250 and reached 2,000 people through sports events, four times more than the previous year. They have continued to run awareness campaigns on market days reaching more than 200 people each time and meet 80-100 parents regularly at different Under Five clinics and church groups. They now have local volunteers who are assisting in their local areas so even when Khumbo and Watson are unable to be present, the awareness sessions are still able to take place. Information given continues to relate to the impact of family size on resources and finances as well as encouraging better communication between partners and shared household responsibilities to improve family relationships.

Ripple Africa
Trustees Report

COVID-19

We have continued to support efforts to combat COVID-19 in Malawi by issuing masks to all our staff and Fish Conservation Committee members and have now repaired 440 boreholes and shallow wells. Of these, 400 were funded by Fondation Eagle who also funded the purchase of 13 oxygen concentrators for Chintheche Rural Hospital and three District Hospitals – Nkhata Bay, Nkhotakota and Salima – to assist with treating patients suffering from breathing difficulties due to COVID-19. We are encouraging all staff to get their vaccinations when offered and many have already done this.

Health Centres

We have done some minor repairs at Kachere Health Centre this year and the clinic staff have requested our help with rebuilding the incinerator wall which has collapsed, providing a new waste pit and building new toilets and washrooms for women attending the maternity unit.

Future Plans for Healthcare

- We will continue to support existing Disabilities and Rehabilitation clients and strengthen links with other healthcare providers such as MACOHA and Mzuzu Central Hospital Prosthetics and Orthotics Centre.
- We will assist with Healthcare building projects if funds allow.
- We will assist Mwaya Dispensary in a minor way.
- We plan to continue running and carrying out research through the Family Planning and Sexual Health project.
- We would like to continue to fundraise to repair broken wells and boreholes.

Ripple Africa
Statement of Trustees' Responsibilities

The trustees (who are also the directors of Ripple Africa for the purpose of company law) are responsible for preparing the trustees' report and financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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 its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by the trustees of the charity on

and signed on its behalf by:

.....

Toby Milton
Chairman

Ripple Africa
Independent Examiners Report to the Members of Ripple Africa

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st May 2021 which are set out on pages 10 to 22.

Responsibilities and basis of report

As the charity trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ACCA, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

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

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Shaun Craven FCCA (Senior Statutory Auditor)
for and on behalf of ANTHISTLE CRAVEN IRX LTD
Moreton House
31 High Street
Buckingham
MK18 1NU

Ripple Africa
Statement of Financial Activities for the Year Ended 31 May 2021
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Unrestricted Funds £	Restricted Funds £	Total 2021 £
Income and Endowments from:	Note			
Donations and legacies	4	123,229	768,572	891,801
Investment income	5	194	-	194
Total Income		123,423	768,572	891,995
Expenditure on:				
Raising funds	7	-80,135	-	-80,135
Charitable activities	8	-111,259	-631,998	-743,257
Total Expenditure		-191,394	-631,998	-823,392
Net income		-67,971	136,574	68,603

Reconciliation of funds

Total funds brought forward		73,911	136,614	210,525
Total funds carried forward	19	5,940	273,188	279,128

		Unrestricted Funds £	Restricted Funds £	Total 2020 £
Income and Endowments from:	Note			
Donations and legacies	4	103,771	688,152	791,923
Investment income	5	391	-	391
Total Income		104,162	688,152	792,314
Expenditure on:				
Raising funds	7	-55,819	-	-55,819
Charitable activities	8	-110,788	-616,987	-727,775
Total Expenditure		-166,607	-616,987	-783,594
Net (expenditure)/income		-62,445	71,165	8,720

Reconciliation of funds

Total funds brought forward		136,356	65,449	201,805
Total funds carried forward	19	73,911	136,614	210,525

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2019 is shown in note 19.

Ripple Africa
(Registration number:04823686)
Balance Sheet as at 31 May 2021

	Note	2021 £	2020 £
Fixed Assets			
Tangible Assets	15	118,109	133,431
Current Assets			
Debtors	16	3,887	8,166
Cash at bank and in hand	21	216,413	160,850
		<u>220,300</u>	<u>169,016</u>
Creditors: Amounts falling due within one year	17	-59,281	-41,922
Creditors: Bounceback Loan		<u>0</u>	<u>-50,000</u>
Net Current Assets		<u>161,019</u>	<u>77,094</u>
Net Assets		<u>279,128</u>	<u>210,525</u>
Funds of the charity:			
Restricted funds		273,188	136,614
Unrestricted income funds			
Unrestricted funds		<u>5,940</u>	<u>73,911</u>
Total funds	19	<u>279,128</u>	<u>210,525</u>

The charitable company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31 May 2021.

The members have not deposited notice, pursuant to section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

Ensuring that the charitable company keeps accounting records that comply with Section 386 and 387 of the Companies Act 2006 and

Preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of section 144 of the Charities Act 2011 and the regulations made under section 154 of that Act and with section 44 (1) (C) of the charities and Trustees Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

The financial statements on pages 13 to 28 were approved by the trustees, and authorised for issue 19th September 2019 and signed for on their behalf by:

.....
Toby Milton
Chairman

Ripple Africa
Statement of Cash Flows for the Year Ended 31 May 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash income/(expenditure)		68,603	8,720
Adjustments to cash flows from non-cash items			
Depreciation	8	23,793	27,472
Investment income	5	-194	-391
Loss on disposal of tangible fixed assets	8	3,242	178
		<u>95,444</u>	<u>35,979</u>
Working capital adjustments			
Decrease in debtors	16	4,279	9,878
Decrease in creditors	17	-32,641	36,504
Net cash flows from operating activities		<u>67,082</u>	<u>82,361</u>
Cash flows from investing activities			
Interest receivable and similar income	5	194	391
Purchase of tangible fixed assets	15	-11,713	-31,684
Net cash flows from investing activities		<u>-11,519</u>	<u>-31,293</u>
Net increase in cash and cash equivalents	21	55,563	51,069
Cash and cash equivalents at 1 June 2020	21	<u>160,850</u>	<u>109,781</u>
Cash and cash equivalents at 31 May 2021	21	<u><u>216,413</u></u>	<u><u>160,850</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

Ripple Africa
Notes to financial statements

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

2 Accounting policies**Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below.

These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Ripple Africa meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Transition to FRS 102

In preparing the accounts, the trustees have considered whether in applying the accounting policies requires by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. No restatements are required as a result of the transition to FRS 102.

Income and endowments

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

Donation and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either this condition is fully met, or the fulfilment of this condition is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Ripple Africa
Notes to financial statements

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met, where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it's probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular heading they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the assets use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

Charitable expenditure comprises this cost incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and the costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustee's meetings and reimbursed expenses.

Trustee expenses

Trustees are not remunerated through the charity but the charity agrees to reimburse for out of pocket expenses.

Taxation

The charity is considered to pass the test set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company 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 to charitable purposes.

Ripple Africa
Notes to financial statements

Tangible fixed assets

Individual fixed assets costing £250.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less an estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Land & buildings	4% straight line
Motor vehicles	25% reducing balance
Office equipment	33% straight line

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and on call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and subject to an insignificant risk of change in value.

Fund structure

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

Designated funds are restricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted income funds are those donated for use in a particular area or for specific purposes the use of which is restricted to that area or purpose.

3 ES – Provisions Available for Smaller Entities (Revised)

In common with other charities of our size and nature we use our auditors to assist with the preparation of the financial statement.

Ripple Africa
Notes to financial statements

4. Income from donations and legacies

	Unrestricted Funds	Restricted Funds	Total 2021	Total 2020
	General			
	£	£	£	£
Donations and legacies;				
Donations	97,369	344,435	441,804	484,994
Gift aid reclaimed	21,902	-	21,902	2,172
Grants, including capital grants;				
Grants from other organisations	3,958	303,740	307,698	280,034
Ripple Africa, inc.	-	120,397	120,397	24,723
	123,229	768,572	891,801	791,923

5. Investment income

	Unrestricted Funds		
	General	Total 2021	Total 2020
	£	£	£
Interest receivable and similar income;	-	-	-
Interest receivable on bank deposits	194	194	391

6. Other income

	Unrestricted Funds		
	General	Restricted Funds	
	£	£	Total 2021 £
Other income		-	-

7. Expenditure on raising funds

a) Costs of generating donations and legacies

		Unrestricted Funds		
	Note	General	Total 2021	Total 2020
		£	£	£
Fundraising costs		28,773	28,773	5,352
Marketing, advertising and website		3,131	3,131	434
Staff Costs		38,928	38,928	38,506
Allocated support costs	9	9,303	9,303	11,527
		80,135	80,135	55,819

Ripple Africa
Notes to financial statements

8. Expenditure on charitable activities

	Unrestricted Funds		Restricted	Total 2021	Total 2020
	Designated	General	Funds		
	£	£	£	£	£
Buildings	-	2,712	31,185	33,897	28,671
Education	-	2,889	33,224	36,113	45,709
Environment	-	23,307	268,026	291,333	235,801
Health	-	3,239	37,248	40,487	39,827
Motor Expenses	-	6,167	70,925	77,092	86,767
Projects	-	4,143	47,642	51,785	75,748
Office expenses	-	-	-	-	0
Wages and Salaries Malawi	-	12,463	143,322	155,785	158,013
Bank Charges	-	37	426	463	101
Wages and salaries UK	-	25,740	-	25,740	24,642
Marketing, advertising and website	-	1,342	-	1,342	186
Travel & subsistence	-	-653	-	-653	2,741
Depreciation of freehold property	2,933	-	-	2,933	2,933
Depreciation of motor vehicles	-	18,506	-	18,506	21,851
Depreciation of office equipment	-	847	-	847	1,181
Depreciation of other assets	-	1,507	-	1,507	1,507
(Profit)/loss on sale of fixed assets	-	2,378	-	2,378	178
Allocated support costs	-	6,251	-	6,251	7,491
Governance costs	-	-2,549	-	-2,549	-5,572
	2,933	108,326	631,998	743,257	727,775

Ripple Africa
Notes to financial statements

9. Analysis of governance and support costs

Raising funds expenditure

Costs of generating donations and legacies

	Basis of allocation	Unrestricted Funds		
		General £	Total 2021 £	Total 2020 £
Telephone & fax	60% of costs	310	310	2,619
Office expenses	60% of costs	9,066	9,066	8,480
Travel & subsistence	10% of costs	-73	-73	338
Training	50% of costs	0	0	90
		9,303	9,303	11,527

Charitable activities expenditure

	Basis of allocation	Unrestricted Funds		
		General £	Total 2021 £	Total 2020 £
Telephone & fax	40% of costs	206	206	1,746
Office expenses	40% of costs	6,045	6,045	5,654
Training	50% of costs	0	0	91
		6,251	6,251	7,491

Governance costs

	Unrestricted Funds		
	General £	Total 2021 £	Total 2020 £
Staff costs;			
Wages and salaries	-	-	-
Audit fees;			
Audit of the financial statements	3,595	3,595	2,065
Legal fees	-	-	-
Other governance costs	227	227	327
Bank Charges	137	137	480
Foreign Currency Gain/Loss	-6,508	-6,508	-8444
		-2,549	-5,572

Ripple Africa
Notes to financial statements

10. Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2021 £	2020 £
Audit fees	3,595	2,065
Depreciation of fixed assets	23,793	27,472
Foreign currency (gains)/losses	-6,508	-8,444

11. Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No Trustees have received any other benefits from the charity during the year.

12. Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	220,453	221,160

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No.	2020 No.
UK Staff	3	3
Malawian Staff	137	137
	140	140

No employee received emoluments of more than £60,000 during the year.

13. Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	3,595	2,065

Ripple Africa
Notes to financial statements

14. Taxation

The charity is a registered charity and is therefore exempt from taxation.

15. Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Other tangible fixed assets £	Total £
Cost					
At 1 June 2020	84,560	33,559	175,652	9,340	303,111
Additions	-		11,713		11,713
Disposals	-	-	-18,493	-	-18,493
At 31 May 2021	84,560	33,559	168,872	9,340	296,331
Depreciation					
At 1 June 2020	20,535	32,715	110,103	6,327	169,680
Charge for the year	2,933	847	18,506	1,507	23,793
Elim on disposal	-	-	-15,251	-	-15,251
At 31 May 2021	23,468	33,562	113,358	7,834	178,222
Net book value					
At 31 May 2021	61,092	-3	55,514	1,506	118,109
At 31 May 2020	64,025	844	65,549	3,013	133,431

16. Debtors

	2021 £	2020 £
Other debtors	1,793	6,271
Prepayments	2,094	1,895
	<u>3,887</u>	<u>8,166</u>

17. Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals	59,281	41,922
Bounceback Loan	0	50,000
	<u>59,281</u>	<u>91,922</u>

Ripple Africa
Notes to financial statements

19. Reserve

	Balance at 1 June 2020 £	Incoming resources £	Resources expensed £	Balance at 31 May 2021 £
Unrestricted Reserve				
General	27,314	123,423	-188,461	-37,724
Designated	46,597	-	-2,933	43,664
Total Unrestricted Reserve	73,911	123,423	-191,394	5,940
Restricted Reserve	136,614	768,572	-631,998	273,188
Total Reserve	210,525	891,995	-823,392	279,128
	Balance at 1 June 2019 £	Incoming resources £	Resources expensed £	Balance at 31 May 2020 £
Unrestricted Reserve				
General	86,826	104,162	-163,674	27,314
Designated	49,530	-	-2,933	46,597
Total Unrestricted Reserve	136,356	104,162	-166,607	73,911
Restricted Reserve	65,449	688,152	-616,987	136,614
Total Reserve	201,805	792,314	-783,594	210,525

20. Analysis of current assets and liabilities between funds

	Unrestricted Funds		Restricted funds	Total funds
	General £	Designated £	£	£
Current assets	69,328	-	150,972	220,300
Current liabilities	-18,656	-	-40,625	-59,281
Total net assets	50,672	-	110,347	161,019

21. Analysis of net funds

	Balance at 1 June 2020 £	Cash flow £	Balance at 31 May 2021 £
Cash at bank and in hand	160,850	55,563	216,413
Net debt	160,850	55,563	216,413

Ripple Africa
Notes to financial statements

22. Related party transactions

An agreement which enabled the launch of the cookstoves project exists between Ripple Africa and Vimiti Ltd, a company in which G Furber and G Jackson have an interest. Under the agreement Vimiti developed the technology behind the Changu Changu Moto cookstove and contracted with Ripple Africa to manage the stoves development and its use amongst the local households. Vimiti routinely donates funds to Ripple Africa to cover the cost of the management of the project. The stoves generate UN certified carbon credits and under the agreement the sale proceeds of the carbon credits will be shared by both parties. This conflict of interest is noted at trustee meetings and interested trustees routinely declare their interest and are not eligible to vote on matters relating to this project or the agreement.