KRIZEVAC PROJECT

England & Wales · Charity number 1115608

Details

Other names	Krizevac Trust
Status	Registered
Legal form	Other
Registered	2006-07-28
Register	View on the Charity Commission register

Contact

Address	Mobell Communications Ltd The Winding House Chase Ent Centre Hednesford Cannock Staffordshire WS12 0QU
Phone	01543888494
Email	vince.owen@krizevac.org
Website	www.krizevac.org

Activities

Objects: FINANCING THE ESTABLISHMENT OF A CROSS AND STATIONS ON MOUNTAINS. THE BUILDING OF CHURCHES, COMMUNITY BUILDINGS AND SCHOOLS IN THE PROXIMITY OF EACH MOUNTAIN. THE ESTABLISHMENT OF SMALL BUSINESSES FOR THE BENEFIT OF LOCAL COMMUNITIES IN THE AREAS AROUND EACH MOUNTAIN. PROMOTION OF ANY MOVEMENT IN THE AREA TO ALLEVIATE ENDEMIC POVERTY.

Activities: Financing the establishment of a cross and stations on mountains The building of churches, community buildings & schools in the proximity of each mountain The establishment of small businesses for the benefit of local communities in the areas around each mountain Promotion of any movement to alleviate endemic povertyPromotion of re-use, re-cycling and up-cycling of waste materials.

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Classification

- **How:** Makes Grants To Organisations, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Overseas Aid/famine Relief, Accommodation/housing, Religious Activities, Arts/culture/heritage/science, Economic/community Development/employment, Other Charitable Purposes
- **Who:** Children/young People, Elderly/old People, People With Disabilities, Other Charities Or Voluntary Bodies, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE, NATIONAL AND OVERSEAS.
- Cameroon
- Ghana
- Kenya
- Malawi
- Nigeria
- Rwanda

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£14,312,441	£3,291,356	£14,655,100	5
2023-12-31	£4,665,299	£2,104,801	£3,634,015	6
2022-12-31	£1,901,434	£1,642,777	£1,073,517	11
2021-12-31	£1,284,004	£1,619,078	£814,860	14
2020-12-31	£1,826,972	£2,676,156	£1,149,934	18

Trustees

Name	Role	Appointed
David Haworth		2017-08-29
VINCENT KENNETH OWEN		2006-06-25

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KRIZEVAC PROJECT

England & Wales - Charity number 1115608

Accounts

PRICE PEARSON
Part of JERROMS

Ref: KRI100

29 October 2024

STRICTLY PRIVATE & CONFIDENTIAL

For the attention of Mr V K Owen
Krizevac Project
The Winding House
Walkers Rise
Rugeley Road, Hednesford
Staffordshire
WS12 5QU

Dear Vince

Krizevac Project
Draft final accounts for the year ended 31 December 2024

Please find enclosed electronic documents to be e-signed by yourself.

The documents are :-
Full accounts
Letter of representation
Surplus reconciliation

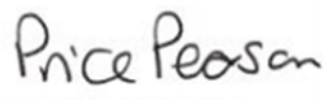
Please examine these accounts carefully and, if the trustees are satisfied that they show a true and fair view of the state of affairs of the charity, please include electronic signatures where indicated.

The signatures on the above copies signify authorisation for the issue of the accounts and therefore if you have any queries or would like further information, please telephone us before signing.

Upon return of the signed accounts we will forward to you the final bound copies.

If you have any queries regarding the above, or require any further information, then please do not hesitate to contact us.

Yours sincerely



Rachel Common
PRICE PEARSON
E-mail: rachel.common@pricepearson.com
Encs

Price Pearson, Part of Jerroms Group

Finch House
28-30 Wolverhampton Street
Dudley
West Midlands
DY1 1DB

Email: enquiries@pricepearson.com | info@jerroms.co.uk
Tel: 01384 456780

Price Pearson, Part of Jerroms is a trading style of Price Pearson Limited which is registered in England and Wales. Registered number: 01288173. Registered office: Finch House, 28-30 Wolverhampton Street, Dudley, West Midlands, DY1 1DB.

Licensed to carry out the reserved legal activity of non-contentious probate in England and Wales by the Institute of Chartered Accountants in England and Wales.

A list of directors is open for inspection at the registered office.

Charity registration number 1115608 (England and Wales)

KRIZEVAC PROJECT

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

KRIZEVAC PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	V K Owen D Haworth
Charity number	1115608
Principal address	Atlas Works Paragon Road Longton Stoke on Trent ST3 1NR
Auditor	Price Pearson Finch House 28-30 Wolverhampton Street Dudley West Midlands DY1 1DB
Bankers	HSBC Bank Plc Coventry DSC Harry Weston Road Binley Coventry CV3 2TQ First Capital Bank Malawi Limited Livingstone Towers Glyn Jones Road Private Bag 122 Blantyre Malawi

KRIZEVAC PROJECT

CONTENTS

	Page
Trustees' report	1 - 5
Independent auditor's report	6 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 27

KRIZEVAC PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The trustees present their annual report and financial statements for the year ended 31 December 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 and “Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and administrative details

The charity is known as Krizevac Project and is registered with the Charities Commission No. 1115608. It is not known by any other name. During this financial period the address of the principal office of the charity was Atlas Works, Paragon Road, Longton, Stoke-on-Trent, ST3 1NR.

The legal and administrative information forms part of this report.

Objectives and activities

Purposes of the charity set out in the governing document
The purposes of Krizevac Project, as set out in the trust deed, are to relieve poverty and advance education in the poorest parts of the world.

The charity’s mission is symbolised by the erection of crosses on mountains, inspired by the cross overlooking Medjugorje in Bosnia-Herzegovina, as a sign of hope and transformation. To date crosses have been established in Malawi, Rwanda, Kenya, Cameroon and three in Nigeria and it is hoped to complete crosses in Sierra Leone and Ghana in 2025/6.

The Charity’s work is rooted in public benefit, and trustees have had regard to the Charity Commission’s guidance on public benefit in planning and delivering activities.

Key charitable activities include:
- Building and operating schools, colleges and community services in Malawi.
- Creating and supporting enterprises that provide local employment and generate sustainable funding.
- Supporting Seibo in Malawi.
- Providing emergency response in Malawi when needed.

Achievements and performance Activities Summary

Education in Malawi:
- Mary Queen of Peace Catholic Institute expanded provision, opening four new hostels for girls.
- St John Paul II Catholic College relocated, enrolment reached 936.
- Carlo Acutis Catholic High School initiated IT talent programmes and 100% pass rate at JCE
- St Kizito Primary achieved strong exam results with 307 enrolled students and 100% pass rate at Primary School Leaving Certificate.
- Mother Teresa Nursery introduced a new early years curriculum.

Community services:
- Mother Teresa Community Services supported nearly 4,000 beneficiaries.
- Seibo Malawi was brought under Beehive management.
- Seibo Japan expanded coffee sales but faces financial pressure.

Enterprises and employment creation:
- Beehive Enterprises grew IT and digital services for Beehive and are planning commercialization of software for external customers.
- Torrent invested in 17 more electric forklifts; Torrent Agriculture began with 7 tractors and a further 10 electric forklifts are planned for 2025.
- Mary's Farms acquired land near Lake Malombe, and it is planned to install solar-powered irrigation.

UK and international developments:
- Cycle of Good was closed in 2024.
- Halfords bike donation scheme ceased in April 2025.
- UK property portfolio reviewed, with decision to exit residential lettings.

Financial review

Income
Total £14.31m (2023: £4.67m). This large increase is owing to the donation of all shares in Mobell Communication Limited and Paragon Projection Limited; the nominal value of these businesses (£11.8m) is included in the 2024 turnover.
- Charitable trading income within the UK charity was relatively low: £47.6k (2023: £154k) and, with the cessation of Cycle of Good and bike donations from Halfords, consideration will be given to the ongoing viability of the warehousing and office accommodation in Stoke-on-Trent.

Other income
Mainly rental income from properties totalled £123k (2023: £96k).

Expenditure
Total £3.3m (2023: £3.3m).
- Charitable activities: £3.02, including £1.9m grants (Beehive, Malawi £2.7m, Seibo Malawi £299k, Nigeria agriculture £14k).
- Raising funds: £282k.

Result: Net surplus fund balances in 2024 are bolstered by the £11.8m value of the companies and total 14.7m at the year end (2023: £3.6m).

Reserves Policy
Trustees aim to maintain six months' core expenditure; current reserves meet this requirement. Within Mobell Communications Limited there is an additional reserve requirement to service the MobalPay prepaid debit card customers in Japan, currently amounting to approximately £500,000.

Risk Management
The trustees review risks on an ongoing basis and satisfy themselves that adequate systems and procedures are in place to manage the risks identified.

Other risks identified include:

- In Mobell Communications, new e-SIM entrants have taken market share and the weak Japanese Yen, in which most income is derived, puts the large proportion of UK costs into stark relief.

- Dependence on the two trading subsidiaries rather than donations makes income unpredictable.
- Governance in Malawi: strengthened with new legal/financial oversight and integration of Seibo.
- Currency devaluation in Malawi and growing inflation (28%): managed through forex reserves and sustainable enterprises.
- Succession and governance: addressed through CIO conversion and new trustee recruitment in prospect.

Plans for future periods
On 31 January 2025, Krizevac Project were gifted 40% of the shareholding in British Desiccant Drying Limited.

Other future plans for 2025 and beyond include:

Complete conversion of Krizevac Project into a **Charitable Incorporated Organisation (CIO)**, transferring all assets and dissolving the trust and Krizevac Ltd.

Strengthen governance through appointment of new trustees, including Jo Owen and Declan Somers.

Expand **Mary's Farms** and agro-processing capacity at Chileka to ensure sustainable production of Likuni Phala.

Broaden **Paragon Projection Ltd** equipment offering and expand London warehousing.

Drive innovation at **Mobell Communications Ltd**, including Mobal Pay and new digital services.

Launch commercialisation of Beehive's software and IT services.

Place at least one new **Krizevac Cross** in Africa.

Rebuild the international volunteer pipeline to support Malawi schools and construction.

Structure, governance and management

Krizevac Project is an unincorporated charitable trust governed by a Declaration of Trust dated 20 July 2006. Trustees are appointed or re-appointed by unanimous agreement among existing trustees.

During 2024, the charity underwent significant change:
- On 31 December 2024, 100% of the shares in Krizevac Ltd (formerly Radmore Management Ltd) were gifted to the charity. Krizevac Ltd owns Mobell Communications Ltd and Paragon Projection Ltd, which now operate as wholly-owned trading subsidiaries.
- In early 2025 the charity also received a 40% shareholding in British Desiccant Drying Ltd, donated by the late Tony Smith.

The trustees who served during the year and up to the date of signature of the financial statements were:

A J Smith	(Deceased 15 May 2025)
Miss J M Smith	(Deceased 23 May 2025)
V K Owen	
D Haworth	

Following the deaths of Tony and Josie Smith, the board of trustees currently comprises Vince Owen and David Haworth. Additional trustees are to be recruited and it has been agreed in principle that Declan Somers and Joseph Owen will be appointed as a trustees during 2025. On conversion to a CIO, David Haworth will serve as Chair and Vince Owen will continue as Managing Director. No trustee received any remuneration for their role as trustee.

Related Organisations

Beehive Centre for Social Enterprise (Beehive) has been the charity's major beneficiary and this is constituted as a non-profit company, registered by guarantee in Malawi, with objectives common to Krizevac Project. The Krizevac Project Managing Director is also Chairman of the board of 9 directors of Beehive.

Krizevac Project (Malawi), is also registered as a nonprofit company in Malawi, limited by guarantee, with the same objectives. This is an autonomous entity, not a subsidiary, which owns property in Malawi, has no employees or contracts for services, and has been used to disburse charity funds and to maximise benefit of Krizevac Project donations through short term, in country investments. One of the Krizevac Project (Malawi) trustee is also a Trustee of Krizevac Project (UK) and a further two are Malawian nationals.

On 31 December 2024 Krizevac Project was gifted 100% of the shares in Krizevac Ltd. (formerly Radmore Management Company Limited) which in turn controls Mobell Communications Limited and Paragon Projection Limited. V K Owen, a trustee of Krizevac Project, is a director of all 3 companies and was the owner of 10% of the shares gifted to the charity.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the trustees are required to:
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in operation.

The trustees are responsible for keeping sufficient 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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

In accordance with the company's articles, a resolution proposing that Price Pearson be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

.....
V K Owen
Trustee

Date: .....

KRIZEVAC PROJECT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income and endowments from:					
Donations and legacies	**3**	14,139,287	2,500	14,141,787	4,415,312
Other trading activities	**4**	47,652	-	47,652	154,388
Other income	**5**	123,002	-	123,002	95,599
Total income		14,309,941	2,500	14,312,441	4,665,299
Expenditure on:					
Raising funds	**6**	11,745	-	11,745	57,255
Charitable activities	**7**	3,016,944	2,500	3,019,444	1,822,568
Support & governance	**9**	260,167	-	260,167	224,978
Total resources expended		3,288,856	2,500	3,291,356	2,104,801
Net income for the year/ Net movement in funds		11,021,085	-	11,021,085	2,560,498
Fund balances at 1 January 2024		3,633,965	50	3,634,015	1,073,517
Fund balances at 31 December 2024		14,655,050	50	14,655,100	3,634,015

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

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

KRIZEVAC PROJECT

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	**13**		188,301		340,563
Investment properties	**14**		1,019,352		2,161,717
Investments	**15**		11,819,598		-
			13,027,251		2,502,280
Current assets					
Debtors	**17**	7,850		25,283	
Cash at bank and in hand		1,666,064		1,142,152	
		1,673,914		1,167,435	
Creditors: amounts falling due within one year	**18**	(46,065)		(35,700)	
Net current assets			1,627,849		1,131,735
Total assets less current liabilities			14,655,100		3,634,015
Income funds					
Restricted funds	**21**		50		50
Unrestricted funds			14,655,050		3,633,965
			14,655,100		3,634,015

The accounts were approved by the Trustees on .....

.....
V K Owen
Trustee

KRIZEVAC PROJECT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	**1**		(703,161)		904,927
Investing activities					
Purchase of tangible fixed assets		(26,883)		(8,843)	
Proceeds from disposal of tangible fixed assets		-		2,000	
Proceeds from disposal of investment property		1,253,956		-	
Net cash generated from/(used in) investing activities			1,227,073		(6,843)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			523,912		898,084
Cash and cash equivalents at beginning of year			1,142,152		244,068
Cash and cash equivalents at end of year			1,666,064		1,142,152

1	Cash generated from operations	2024 £	2023 £
	Surplus for the year	11,021,085	2,560,498
	Adjustments for:		
	Gain on disposal of tangible fixed assets	-	(2,000)
	Loss on disposal of investment property	63,410	-
	Depreciation and impairment of tangible fixed assets	4,145	6,305
	Non cash donations	(11,819,599)	(1,598,508)
	Movements in working capital:		
	(Increase)/decrease in stocks	-	31,346
	Decrease/(increase) in debtors	17,433	(4,878)
	Increase/(decrease) in creditors	10,365	(87,836)
	Cash (absorbed by)/generated from operations	(703,161)	904,927

2 Accounting policies

Charity information

Krizevac Project is constituted as an unincorporated charitable trust under a Declaration of Trust dated 25 June 2006.

2.1 Accounting convention

The accounts have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and “Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)” (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

2 Accounting policies **(Continued)**

2.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from trading activities is recognised when the significant risks and rewards of ownership are transferred to the buyer.

Other income is accounted for on a receivable basis.

2.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable activities include grants made in accordance with the terms of the trust deed.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

2.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings improvements	25% p.a. straight line basis
Fixtures, fittings & equipment	25% p.a. straight line basis
Motor vehicles	25% p.a. straight line basis

Freehold land is not depreciated.

Freehold buildings have a residual value at least equal to the value in the accounts and are therefore not depreciated. This is reviewed on an annual basis to ensure no impairment is required.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

2.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

2 Accounting policies **(Continued)**

2.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

2.9 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

2.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.11 Financial instruments

The Charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset’s original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

2 Accounting policies **(Continued)**

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

2.12 Taxation

The charity is exempt from tax on its charitable activities.

2.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2.16 Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2024	2024	2024	2023
	£	£	£	£
Donations and gifts	2,319,689	2,500	2,322,189	4,415,312
Donation of shares in trading subsidaries	11,819,598	-	11,819,598	-
	14,139,287	2,500	14,141,787	4,415,312
For the year ended 31 December 2023	4,397,180	18,132		4,415,312

4 Other trading activities

	2024	2023
	£	£
Revenue from sales	24,017	68,770
Elephant bike sales	767	18,429
Cycle of goods sales	22,868	67,189
	47,652	154,388

All income from trading activities relates to unrestricted funds.

5 Other income

	2024	2023
	£	£
Other income	123,002	95,599

All other income relates to unrestricted funds.

6 Raising funds

	2024	2023
	£	£
Fundraising and publicity		
Advertising	1,016	6,299
Trading costs		
Elephant bike costs	80	1,949
Cycle of goods costs	3,729	37,778
Postage	6,920	11,229
	11,745	57,255

All expenditure in respect of raising funds relates to unrestricted funds for both 2024 and 2023.

7 Charitable activities

	Malawi	Seibo	Nigeria	Total 2024	Total 2023
	2024	2024	2024		
	£	£	£	£	£
Staff costs	81,817	-	-	81,817	99,952
Charitable expenditure	961,900	-	-	961,900	250,752
Shipping - exports	48,660	-	-	48,660	82,929
Volunteer expenses	5,624	-	-	5,624	3,985
	1,098,001	-	-	1,098,001	437,618
Grant funding of activities (see note 8)	1,605,239	299,260	16,944	1,921,443	1,384,950
	2,703,240	299,260	16,944	3,019,444	1,822,568
Analysis by fund					
Unrestricted funds	2,700,740	299,260	16,944	3,016,944	1,804,436
Restricted funds	2,500	-	-	2,500	18,132
	2,703,240	299,260	16,944	3,019,444	1,822,568
For the year ended 31 December 2023					
Unrestricted funds	1,572,114	218,131	14,191		1,804,436
Restricted funds	18,132	-	-		18,132
	1,590,246	218,131	14,191		1,822,568

8 Grants payable

	Malawi 2024 £	Seibo 2024 £	Nigeria 2024 £	Total 2024 £	Total 2023 £
Grants to institutions:					
Construction and provision of services	1,605,239	-	-	1,605,239	1,152,628
School meals	-	299,260	-	299,260	218,131
Agricultural project	-	-	16,944	16,944	14,191
	1,605,239	299,260	16,944	1,921,443	1,384,950

9 Support costs

	Support costs £	Governance costs £	2024 £	2023 £	Basis of allocation
Staff costs	130,544	-	130,544	135,176	Staff time
Depreciation	4,145	-	4,145	6,305	Actual
(Profit)/loss on disposals	63,410	-	63,410	(2,000)	Actual
Exchange gains	(25,213)	-	(25,213)	9,145	Actual
Business rates	10,022	-	10,022	1,760	Actual
General insurance	7,063	-	7,063	3,570	Actual
Utilities	10,285	-	10,285	(2,279)	Actual
Motor running costs	3,392	-	3,392	4,705	Actual
Telecommunications	1,680	-	1,680	1,144	Actual
Printing, postage & stationery	1,698	-	1,698	1,477	Actual
Sundry expenses	9,821	-	9,821	10,858	Actual
Repairs & maintenance	22,273	-	22,273	20,533	Actual
Legal & professional fees	9,475	-	9,475	15,643	Actual
Advertising & promotion	209	-	209	832	Actual
Travel expenses	4,790	-	4,790	7,783	Actual
Bank charges	573	-	573	646	Actual
Audit fees	-	6,000	6,000	9,680	Governance
	254,167	6,000	260,167	224,978	

All expenditure in respect of support costs relate to unrestricted funds for both 2024 and 2023.

10 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Exchange (gains)/losses	(25,213)	9,145
Fees payable for the audit of the charity's financial statements	6,000	9,680
Depreciation of owned tangible fixed assets	4,145	6,304
Loss/(profit) on disposal of tangible fixed assets	-	(2,000)
Loss on disposal of investment property	63,410	-

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or were reimbursed for expenses during the period, but 2 of them were reimbursed a total of £4,956 for travelling expenses in the previous year to 31 December 2023.

12 Employees

Number of employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Administration	5	7
Drivers	-	1
	5	8

Employment costs	2024	2023
	£	£
Wages and salaries	192,374	211,448
Social security costs	12,792	18,264
Other pension costs	7,195	5,416
	212,361	235,128

There were no employees whose annual remuneration was £60,000 or more.

13 Tangible fixed assets

	Land and buildings improvements	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2024	582,833	32,343	8,843	624,019
Additions	26,291	592	-	26,883
Transfer to investment property	(175,000)	-	-	(175,000)
At 31 December 2024	434,124	32,935	8,843	475,902
Depreciation and impairment				
At 1 January 2024	250,724	32,179	553	283,456
Depreciation charged in the year	1,759	175	2,211	4,145
At 31 December 2024	252,483	32,354	2,764	287,601
Carrying amount				
At 31 December 2024	181,641	581	6,079	188,301
At 31 December 2023	332,109	164	8,290	340,563

14 Investment property

	2024
	£
Fair value	
At 1 January 2024	2,161,717
Transfers from owner-occupied property	175,000
Disposals	(1,317,366)
At 31 December 2024	1,019,352

On 6 July 2023 A J Smith donated his family home to The Krizevac Project, the property had a value of £1,250,000. This property was then sold on the 31 May 2024 for a value of £1,171,471.

On 15 November 2024, another investment property was sold for a value of £82,485.

In the previous year on the 15 December 2023, Krizevac Ltd. (formerly Radmore Management Limited) donated three of it's properties to The Krizevac Project at a value of £348,507.

During the year £175,000 was transferred from Land & Buildings to Investment Property, due to a higher proportion of the property being rented to third parties.

The investment properties were valued at 31 December 2024 by the directors at £1,019,352.

The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

15 Fixed asset investments

	Other investments £
Cost or valuation	
At 1 January 2024	-
Additions	11,819,598
At 31 December 2024	11,819,598
Carrying amount	
At 31 December 2024	11,819,598
At 31 December 2023	-

On 31 December 2024, Krizevac Project was gifted 100% of the share capital in Krizevac Ltd. (formerly Radmore Management Limited).

The entire value of Krizevac Ltd. including its subsidiaries Mobell Communications Limited, Paragon Projection Limited and Mobal Communications Inc. was donated to Krizevac Project for a value of £11,819,598.

16 Financial instruments

	2024 £	2023 £
Carrying amount of financial assets		
Debt instruments measured at amortised cost	1,140	6,368
Carrying amount of financial liabilities		
Measured at amortised cost	40,187	29,537

17 Debtors

Amounts falling due within one year:	2024 £	2023 £
Trade debtors	469	2,175
Other debtors	2,452	16,668
Prepayments and accrued income	4,929	6,440
	7,850	25,283

18 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other taxation and social security	5,878	6,163
Trade creditors	24,230	9,965
Other creditors	2,700	3,898
Accruals and deferred income	13,257	15,674
	46,065	35,700

19 Retirement benefit schemes

Defined contribution schemes	2024	2023
	£	£
Charge to profit or loss in respect of defined contribution schemes	7,195	5,416

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

20 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2024	Incoming resources	Resources expended	At 31 December 2024
	£	£	£	£
General funds	3,633,965	14,309,941	(3,288,856)	14,655,050

Previous year:	At 1 January 2023	Incoming resources	Resources expended	At 31 December 2023
	£	£	£	£
General funds	1,073,467	4,647,167	(2,086,669)	3,633,965

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

		Movement in funds		
	Balance at 1 January 2024	Incoming resources	Resources expended	Balance at 31 December 2024
	£	£	£	£
Unrestricted funds:	3,633,965	14,309,941	(3,288,856)	14,655,050
Restricted funds:				
Give a Child a Chance Campaign	50	1,000	(1,000)	50
Groundwork West Midlands	-	1,500	(1,500)	-
	3,634,015	14,312,441	(3,291,356)	14,655,100

Give a Child a Chance Campaign
Sponsorship of children's places in Mother Teresa Children's Centre for orphans and vulnerable children.

Groundwork West Midlands
Grant application for energy efficient lighting.

22 Analysis of net assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Fund balances at 31 December 2024 are represented by:			
Tangible assets	188,301	-	188,301
Investment properties	1,019,352	-	1,019,352
Investments	11,819,598	-	11,819,598
Current assets	1,627,799	50	1,627,849
	14,655,050	50	14,655,100

23 Subsidiaries

These financial statements are separate Charity financial statements for Krizevac Project.

Details of the Charity's subsidiaries at 31 December 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
Krizevac Ltd.	England and Wales	Management Services		100.00	
Mobell Communications Limited	England and Wales	Telephone Hire	Ordinary		100.00
Paragon Projection Limited	England and Wales	Plant Hire			100.00
Mobal Communications Inc.	USA	Telephone Hire			100.00

The aggregate capital and reserves and the result for the year of subsidiaries included in the consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Krizevac Ltd.	122,219	1,452,919
Mobell Communications Limited	2,155,364	569,566
Paragon Projection Limited	470,845	4,539,747
Mobal Communications Inc.	(402,860)	460

Mobal Communications Inc. was dissolved on the 23 January 2025.

24 Operating lease commitments

The operating leases represent a lease to a third party. The lease is negotiated over a term of 6 years and rentals are fixed until the 1 January 2020 and renewed every second anniversary of that date. A Tenants Break clause is included as at the 1 January 2021. The tenant must give at least 6 months notice before the break date.

At the reporting end date the Charity had contracted with tenants to receive the following minimum lease payments:

	2024	2023
	£	£
Within one year	66,915	66,915
Between two and five years	144,982	211,897
	211,897	278,812

25 Events after the reporting date

On 31 January 2025, Krizevac Project were gifted 40% of the shareholding in British Desiccant Drying Limited. This was donated by former trustee A J Smith.

Mobal Communications, Inc. was dissolved on the 23 January 2025.

26 Related party transactions

A J Smith and Miss J M Smith controlled Krizevac Ltd. (formerly Radmore Management Limited), which in turn controlls Mobell Communications Limited and Paragon Projection Limited. On 31 December 2024, A J Smith, Miss J M Smith and V K Owen donated all of their shares in Krizevac Ltd. for a value of £11,819,598. During the year, the charity received donations of £Nil (2023 : £2,769,597) from Mobell Communications Limited and £Nil (2023: £Nil) from Paragon Projection Limited. In 2024, Krizevac Ltd. made donations of £2,281,529. In the previous year, on the 15 December 2023 three properties were donated by Krizevac Lid. worth £348,507.

A J Smith is a director and owns 50% of the share capital in British Desiccant Drying Limited. During the year, the charity received donations of £Nil (2023 : £25,000) from British Desiccant Drying Limited.

In the previous year on 15 July 2023, A J Smith donated his family home to The Krizevac Project, the property had a value of £1,250,000.

The charity paid out grants in 2024 to Beehive Centre For Social Enterprise of £1,605,239 (2023 : £1,152,628) ; A J Smith and V K Owen are directors of the non-profit Association, Beehive Centre for Social Enterprise.

Also during the year the charity paid grants to the Japanese-registered non-profit organisation, Seibo of £299,260 (2023 : £218,831), A J Smith and V K Owen are trustees of Seibo.

A J Smith and Miss J M Smith passed away on the 15 May 2025 and 23 May 2025. There directorships and trusteeships stated above stood until the date of their deaths.

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	48,351	44,817

Krizevac Project
The Winding House
Walkers Rise
Rugeley Road, Hednesford
Staffordshire
WS12 5QU

The Directors
Price Pearson
Chartered Accountants & Registered Auditors
Finch House
28-30 Wolverhampton Street
Dudley
West Midlands
DY1 1DB

Dear Sirs,

This representation letter is provided in connection with your audit of the accounts of Krizevac Project for the year ended 31 December 2024 for the purpose of expressing an opinion as to whether the accounts give a true and fair view of the results and financial position of Krizevac Project in accordance the Charities Act 2011 and regulations thereunder, and United Kingdom Financial Reporting Standards.

1) We have fulfilled our responsibilities as trustees, as set out in the terms of your engagement dated 24 July 2018 under the Charities Act 2011 and regulations thereunder, for preparing accounts which give a true and fair view of the financial position of Krizevac Project as of 31 December 2024 and of the incoming resources and application of the resources of the charity in that year and for making accurate representations to you.

2) All accounting records and relevant information have been made available to you for the purpose of your audit and all transactions undertaken by the charitable company have been properly reflected in the accounting records or other information provided to you. All other records and related information including minutes of all management and trustees meetings have been made available to you.

3) We acknowledge our responsibilities for the design and implementation of internal control to prevent and detect error and fraud. We confirm the accounts are free of material misstatements, including omissions.

4) There have been no irregularities or allegations thereof involving directors/trustees, management or employees who have a significant role in internal control or that could have a material effect on the financial statements. We also confirm that we are not aware of any allegations of fraud by former directors/trustees, employees, regulators or others.

Continued …

On behalf of the Trustees,



.....Trustee
V K Owen,

Date ……

5) We confirm that we have advised you of all laws and regulations considered central to the operation of the charitable company or which provide a legal framework within which the charitable company conducts its operations and that we are not aware of any possible or actual instance of non-compliance with those laws and regulations. The charitable company has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.

7) We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.

8) We confirm that we have disclosed to you the identity of the charitable company's related parties and all related party relationships and transactions relevant to the charitable company and that we are not aware of further related party matters that require disclosure other than those already disclosed in the accounts.

9) We confirm that, in our opinion, the charitable company's financial statements should be prepared on the grounds that current and future sources of funding or support will be more than adequate for the charitable company's needs.

10) The charitable company has satisfactory title to all assets and there are no liens or encumbrances on the assets except for those disclosed in the accounts.

11) There are no liabilities or provisions, contingent liabilities or guarantees to third parties other than those disclosed in the accounts.

12) There have been no events since the balance sheet date which require disclosure or which would materially affect the amounts in the accounts, other than those already disclosed or included in the accounts.

13) We confirm that all grants, donations and other income, including those subject to special terms or conditions or received for restricted purposes, have been notified to you. There have been no breaches of terms or conditions during the period regarding the application of such income.

14) We confirm that we are not aware of any matters of material significance that should be reported to the Charity Commission.

15) We confirm that there are control systems in place to ensure that all items donated to Krizevac Project are used to further the Charity's objects.

16) We confirm that grants paid should include £1,605,239 in respect of Beehive Centre for Social Enterprise and £Nil in respect of Torrent Mozambique.

17) In our opinion the investment properties in the accounts had an estimated value of £1,019,352 as at 31 December 2024.

Continued …

On behalf of the Trustees,



.....Trustee
V K Owen,

Date ……

We confirm to the best of our knowledge and belief that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy ourselves that we can properly make each of the above representations to you.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware. Each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make themselves aware of any relevant audit information and to establish that you are aware of that information.

On behalf of the Board of Trustees

Yours faithfully,

On behalf of the Trustees,



.....Trustee
V K Owen,

Date ……

Krizevac Project
Year Ended 31 December 2024
Surplus Reconciliation

	£	£
Gain per client TB		11,021,024
Adjustments:		
Post 2022 OB adjustments	(150)	
Post 2023 OB adjustments	211	
		61
Surplus per accounts presented to audit		11,021,085

Unadjusted errors

Pension difference (rectified after year end)	(282)
USD bank FX difference	16
Krizevac Malawi donations translation difference	9
Paypal statement	(66)
Electricity - missing invoices	(588)
	(911)

On behalf of the Board of Trustees of Krizevac Project I have considered the adjustments listed above and agree that they should be adjusted or not adjusted as shown.

Signed ..... (Trustee)

PRICE PEARSON
Part of JERROMS

Ref: KR100

29 October 2025

STRICTLY PRIVATE & CONFIDENTIAL

The Board of Trustees
Krizevac Project
The Winding House
Walkers Rise
Rugeley Road, Hednesford
Staffordshire
WS12 5QU

Dear Sirs

In accordance with our normal practice and further to our meeting we are writing to draw your attention to various matters which arose during the course of our audit of the company's accounts for the year ended 31 December 2024.

1. *Adjustments to the accounts*
   We attach a surplus reconciliation together with explanations. Please let us know if you have any further queries regarding any of these.

2. *Unadjusted misstatements*
   A schedule is attached of all the unadjusted misstatements determined during the course of our audit, except for those we consider to be clearly trivial.

3. *Letter of representation*
   A final letter of representation is attached. We draw your attention to paragraphs 15-16 in other respects the letter is routine.

In addition we are required by auditing standards to give you the following negative assurances:

4. *Audit report*
   We do not intend to qualify our audit report.

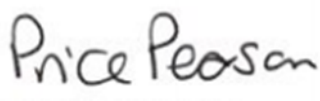
5. *Material weaknesses in the accounting and internal control systems*
   As you are aware from our letter of engagement, our audit procedures were directed towards testing the accounting systems in operation upon which we have based our assessment of the accounts. Our report is not meant to be a full and accurate reflection of all weaknesses that may be present in your system. We are aware that due to the small size of the management team all internal control functions are carried out by you. Therefore we have nothing that we wish to bring to your attention in this respect as a result of our audit work.

6. *Other matters required by Auditing Standards to be communicated*
   There are no other matters that we are required to communicate to you.

7. *Other relevant matters relating to the audit*
   There are no other matters which we wish to draw to your attention.

We would like to take this opportunity of expressing our thanks to your staff for their assistance during the course of our audit.
Please note that this report has been prepared for the sole use of Krizevac Project. It must not be disclosed to third parties, quoted or referred to, without our prior written consent. No responsibility is assumed by us to any other person.
If we can be of any further assistance, please contact Mr Chris Cooper.

Yours faithfully



PRICE PEARSON

Price Pearson, Part of Jerroms Group

Finch House
28-30 Wolverhampton Street
Dudley
West Midlands
DY1 1DB

Email: enquiries@pricepearson.com | info@jerroms.co.uk
Tel: 01384 456780

Price Pearson, Part of Jerroms is a trading style of Price Pearson Limited which is registered in England and Wales. Registered number: 01288173. Registered office: Finch House, 28-30 Wolverhampton Street, Dudley, West Midlands, DY1 1DB.

Licensed to carry out the reserved legal activity of non-contentious probate in England and Wales by the Institute of Chartered Accountants in England and Wales.

A list of directors is open for inspection at the registered office.

KRIZEVAC PROJECT

England & Wales - Charity number 1115608

Accounts

Charity registration number 1115608

KRIZEVAC PROJECT

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

KRIZEVAC PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A J Smith Miss J M Smith V K Owen D Haworth
Charity number	1115608
Principal address	Atlas Works Paragon Road Longton Stoke on Trent ST3 1NR
Auditor	Price Pearson Finch House 28-30 Wolverhampton Street Dudley West Midlands DY1 1DB
Bankers	HSBC Bank Plc Coventry DSC Harry Weston Road Binley Coventry CV3 2TQ First Capital Bank Malawi Limited Livingstone Towers Glyn Jones Road Private Bag 122 Blantyre Malawi

KRIZEVAC PROJECT

CONTENTS

	Page
Trustees' report	1 - 7
Independent auditor's report	8 - 10
Statement of financial activities	11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 25

KRIZEVAC PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and administrative details

The charity is known as Krizevac Project and is registered with the Charities Commission No. 1115608. It is not known by any other name. During this financial period the address of the principal office of the charity was Atlas Works, Paragon Road, Longton, Stoke-on-Trent, ST3 1NR.

The legal and administrative information forms part of this report.

Objectives and activities

Purposes of the charity set out in the governing document
Krizevac Project is a UK charitable trust, constituted as an unincorporated association under a Declaration of Trust, dated 20 July 2006 which sets out the Charity's purposes.

Mission Statement
Krizevac Project aims to transform some of the poorest parts of the world. Each project begins in an area of need by placing a cross on a mountain, a replica of the cross overlooking the village of Medjugorje in Bosnia Herzegovina. This inspires community transformation in these areas, founded on personal sacrifice and public service, PSPS.

The charity has erected Krizevac crosses in Malawi, Rwanda, Kenya and Nigeria and now responds to needs in surrounding local communities by constructing quality buildings, starting businesses, providing essential equipment and skilled volunteers. The charity also creates new enterprises to enable self-sustaining employment in these areas of need. This provides lasting income to fund education and family support services.

Achievements and performance Activities Summary
The Trustees are pleased to present the 2023 report for the Krizevac Project, which has seen remarkable achievements in education, community welfare, and economic empowerment in Malawi. With ongoing support primarily from Mobell Communication Limited, we have strengthened our mission to uplift communities through sustainable education, social services, and enterprise.
Below, we provide a comprehensive overview of the year's highlights, and the challenges encountered across our key initiatives.

Educational Initiatives

Mary Queen of Peace Catholic Institute
The grand opening of the Mary Queen of Peace Catholic Institute was held in August 2023, an event graced by Archbishop Thomas Msusa, Malawi's Minister for Education and attended by dignitaries, staff, and community leaders. This institution, now comprises quality education provision from nursery through to college, benefitting some of the world's most needy alongside those able to pay; it serves as a beacon for quality learning in Malawi.

Student Accommodation Challenges: Addressing housing for students from remote areas remains an ongoing challenge. In 2023, we provided three buses to support transportation needs, yet affordable and proximate accommodation continues to be an area for further investment.

St John Paul II Catholic College

This year, St John Paul II Catholic College successfully relocated to a new, improved campus at the Malawi Development Corporation (MDC) site, enhancing the educational environment for students. The college achieved an impressive enrolment of 936 students across various programs, including Information and Communication Technology (ICT), Tailoring, and Early Childhood Development (ECD).

- Employment Hub: An employment hub was introduced, enabling start-ups, internships, and work-based learning opportunities. The college also participated in the TEVET Skills Competition, securing wins in the ICT category.
- Challenges and Strategic Goals: Economic issues, notably currency devaluation, have impacted students' ability to afford international courses. Moving forward, the college aims to increase enrolment, secure accreditation from the National Council for Higher Education (NCHE), and enhance educational quality assurance.

Carlo Acutis Catholic High School

Carlo Acutis Catholic High School reported a 100% pass rate in Junior Certificate Examinations, with enrolment now expanded across three forms. Despite challenges in maintaining pass rates across terms, the school remains committed to fostering an academically robust environment. Plans for 2024 include targeted interventions to improve exam performance and expand student support services.

St Kizito Catholic Primary School

St Kizito reported significant improvements in academic outcomes, achieving an 89.6% pass rate by Term 3. Enrolment rose to 307 students, facilitated by bursaries and scholarships, which allowed many learners to access education at little or no cost. The school has developed a 2023/24 plan to implement weekly assessments, offer Saturday classes, and conduct parent consultations, all aimed at strengthening student performance.

Mother Teresa Catholic Nursery School

Serving 143 students, Mother Teresa Catholic Nursery School continued to provide quality early childhood education, prioritising inclusivity through bursaries and scholarships. Looking toward 2024, the school aims to expand enrolment to 178 students, with plans for increased sports resources and staff training to improve the learning experience.

Mother Teresa Community Services

This year, Mother Teresa Community Services delivered impactful welfare programs to over 3,900 beneficiaries, addressing key areas such as child protection, adult literacy, health, and climate resilience. The program also supported food security efforts, reaching 752 households with crop assistance and compost training, and extended nutritional support through local feeding programs.

Inclusive Education and Youth Empowerment: Extracurricular engagement included wildlife, arts, and debate clubs, enriching the educational experience for 460 children. In addition, the team initiated 50 peer educator programs on HIV/AIDS awareness and provided maternal health and child protection resources.

Upcoming Initiatives: Plans for 2024 include the establishment of beekeeping cooperatives, expanding food relief efforts, and enhancing physiotherapy and antenatal services in collaboration with local health facilities.

Business and Enterprise Initiatives

Torrent Logistics and Torrent Plant Hire

Torrent Logistics expanded its capacity with five additional forklifts, bringing its fleet to 26, and introduced the first electric forklift as well as the first electric floor scrubber in Malawi, aligning with our goal to promote environmentally friendly solutions. These enhancements supported critical logistics functions, including cleaning a sugar warehouse and providing transportation during the cyclone.

Challenges and Resilience: Economic instability, particularly the Kwacha devaluation, created difficulties in managing rising operational costs. Additionally, accessing foreign exchange for parts and supplies posed challenges. Nonetheless, Torrent Logistics concluded its most successful financial year, further supporting our charity's mission.

Future Directions: Plans for 2024 include a feasibility study to transition more equipment to electric, aligning with our sustainability goals. Additionally, the team aims to grow the bag refurbishment centre, expected to handle over 52,000 bags next year, promoting environmental sustainability through reusability.

Beehive Enterprises

Beehive's operations in 2023 demonstrated resilience, with significant growth across service areas. A major highlight was the British Council partnership, which positioned Beehive as a Pearson Vue Service Centre, offering professional accreditation exams in Malawi. The introduction of a Mobile and Web Stock Management and Tracking System for Illovo, alongside an attendance and asset tracking system for the Mary Queen of Peace Catholic Institute, marked technological advancements in local enterprise.

Digital Transformation and Employment Creation: The Vanguard contract to digitise customer documents created job opportunities for 20 young individuals, mainly JPII graduates. This project enabled substantial skills development, with all staff trained in document management and digital processes.

Plans for 2024: Beehive plans to implement an integrated suite of systems, including payroll, asset tracking, and pupil management, to be marketed commercially. The team aims to continue improving the technological infrastructure to better serve local businesses.

Construction and Infrastructure

In 2023, Beehive completed several vital infrastructure projects, including a new, four-storey building for the St John Paul Catholic college with a 100% off-grid solar array, as well as a new 300-tree orchard at Chileka. These projects, though impacted by supply chain delays from Cyclone Freddy and currency fluctuations, demonstrate our commitment to sustainable development in Malawi.

Challenges and Solutions: Ongoing devaluation of the Kwacha has increased project costs. In response, Beehive has implemented robust cost-management strategies and diversified supplier networks to minimise future disruptions.

Cyclone Recovery: During 2023, Krizevac Project allocated £20,000 to recovery efforts form Cyclone Freddy, the longest cyclone Africa has known, when six months of rain fell in six days. While many hundreds in Blantyre died in the floods, all of our staff and their families survived. We rallied our teams to action during the worst week; the Mother Theresa Community Services and Seibo teams were able to buy bales of clothes, plates, cups and food for the makeshift camps which have been formed in primary schools for the displaced and homeless. Our construction team turned their attention from the building of a college and university to shoring up unsafe bridges, imroving the safety of homes and making ruined roads passable once more. Staff in ruined, rented homes have been given cash to sort a new place quickly and those in owned and damaged houses received plastic sheets and help to fix their places safely. Our schools catering team has equipped kitchens and shown the camps how to feed large volumes of people and our JCB machinery pulled stranded vehicles to safety and dug ditches and toilets for proper sanitation. The resilience of our buildings and people contrasts with the instability of the majority. While we spent significant funds on emergency support, the real help has been, over the long term, to build capability in the midst of fragility and order in the midst of chaos.

Financial review

Income
Total income for 2023 reached £4,665,299, more than double the 2022 figure of £1,901,434. This increase is largely attributable to a significant boost in donations from Mobell Communications Limited, additional property contributions, and steady income from UK rental properties.

Donations
Mobell Communications Limited's contribution for 2023 totalled £2,769,597, accounting for a substantial portion of all donations and making up 88% of total income (2022: £1,439,059). Other notable donations include a personal property gift from Trustee A.J. Smith valued at £1,250,000 and an additional £348,507 from Radmore Management Limited for three properties. Additional donations from British Desiccant Drying Limited and individual donors totalled £25,000 and £18,132 respectively, supporting specific campaigns and emergency relief.

Trading Income
Trading income, including sales from Cycle of Good and Elephant Bike products, reached £154,388 in 2023, down slightly from £185,129 in 2022, reflecting shifts in consumer spending, and our response through the closure of Cycle of Good.

Other Income
Income from property rentals rose slightly to £95,599, maintaining stability after securing new tenants and diversifying rental income sources.

Expenditure
Total expenditure for 2023 amounted to £2,104,801, reflecting a 28% increase from the previous year's £1,642,777. Charitable expenditures rose to £1,822,568, with major investments in Malawi, including the construction of education and social facilities as well as funding for Seibo's school feeding programs.

Grants
A total of £1,384,950 was granted for projects, including £1,152,628 allocated for Beehive Centre for Social Enterprise, £218,131 for Seibo's school meals, and £14,191 towards agricultural projects in Nigeria.

Strategic Goals for 2024:

- Enhance Educational Quality: Focus on quality assurance, accreditation, and student support across all educational programs to improve learning outcomes.
- Expand Sustainable Enterprises: Grow eco-friendly logistics projects to reduce environmental impact while generating revenue.
- Determine the feasibility of agricultural endeavour, a major farm estate and agro processing to vertically integrate the growing and production of Likuni Phala, currently procured for Seibo school feeding.
- Strengthen Community Services: Increase focus on health, child protection, and food security, ensuring holistic support for our beneficiaries.
- Foster Digital Transformation: Further develop Beehive's digital solutions and market these to other organisations, providing both local employment and digital literacy training.

Reserves Policy
With the impact of coronavirus on donor businesses and growing level of internal charitable trading, a reserves policy will be determined which follows the Charities Commission guidance and is less dependent on the underwriting of the Radmore group of companies.

Risk Management
The trustees review risks on an ongoing basis and satisfy themselves that adequate systems and procedures are in place to manage the risks identified.

A legal challenge continues relating to one of the seven plots of land bought by Krizevac Project (Malawi) where it is hoped that there will eventually be a tertiary education and technological campus.

Beehive's financial systems are still in need of support and would otherwise present significant risk. Krizevac Project continued to strengthen the financial systems and staff with expert external accounting help. Particular support was needed with the Malawi Revenue Authority to maximise non-profit status.

The broadening of the income portfolio continued through Cycle of Good trading, reducing risks owing to the charity's heavy dependence on the two businesses of Mobell Communication and Paragon. The distinctive way the Krizevac Project has been funded through business and trading endures. This business income is broadening to include increased rental of properties in the UK presenting appreciating assets which yield low-risk ongoing revenue.

Trustees have agreed that Krizevac Project will register as a Charitable Incorporated Organisation to offer a better basis for ownership of property and employment of individuals.

Structure, governance and management

Organisation
Krizevac Project is a charitable trust, governed by its trustees who are appointed or reappointed by unanimous agreement among existing trustees. The charity is immensely grateful to David Haworth for his work on our Nigeria agriculture work in the year. Trustees give their time voluntarily and receive no benefits from the charity for their work as trustees. Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities.

The trustees who served during the year and up to the date of signature of the financial statements were:
A J Smith
Miss J M Smith
V K Owen
D Haworth

It was agreed through communications in the year, to appoint Declan Somers as an additional trustee, but no formal meeting has been held since this agreement to formalise his appointment.

As a small organisation, Krizevac Project trustees are also active in the day-to-day management of the charity and related organisations and some have made several visits this year to all of the charity's activities. Trustees ensure appropriate support for the charity's IT, HR, financial reporting and management from Radmore Management Limited (owned by the trustees) which employs Vincent Owen who is seconded part time as Krizevac Project Managing Director to oversee the charity.

Related Organisations

Beehive Centre for Social Enterprise (Beehive) has been the charity's major beneficiary and this is constituted as a non-profit company, registered by guarantee in Malawi, with objectives common to Krizevac Project. The Krizevac Project Chairman is also chairman of the board of 9 directors of Beehive, three of whom are also employees of Krizevac Project.

Krizevac Project (Malawi), is also registered as a nonprofit company in Malawi, limited by guarantee, with the same objectives. This is an autonomous entity, not a subsidiary, which owns property in Malawi, has no employees or contracts for services, and has been used to disburse charity funds and to maximise benefit of Krizevac Project donations through short term, in country investments. Two of the Krizevac Project (Malawi) trustees are also Trustees of Krizevac Project (UK) and a further two are Malawian nationals.

This year Krizevac Project further supported the growth of a Non-Profit Organisation in Japan, Seibo Maria, to feed hungry children, beginning in Malawi. The creation of a further organisation under the same name, was also supported in Malawi.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable 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 charity will continue in operation.

The trustees are responsible for keeping sufficient 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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

The auditor, Price Pearson, is deemed to be reappointed.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

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V K Owen
Trustee
Dated: 28/10/24

KRIZEVAC PROJECT

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF KRIZEVAC PROJECT

Opinion

We have audited the financial statements of Krizevac Project (the 'Charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, 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 Charities Act 2011.

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's 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 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 directors 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to health and safety and employment (including taxation), and we considered the extent to which non-compliance may have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We evaluated managements incentives and opportunities for fraudulent manipulation of the financial statements and determined that the principal risk included revenue recognition and grant making. Audit procedures performed by the engagement team included:

- Enquiry of management and those charged with governance regarding known or suspected fraud or irregularity and the existence of actual or potential litigation.
- Enquiry of staff in finance and management functions to identify any instances of non-compliance with laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing estimates for bias.
- Agreeing financial statement disclosures to underlying supporting documentation.
- Inspecting stock count sheets and attending inventory counts at all locations.
- Testing grants made to third party evidence and documentation.

Because of the inherent limitations of an audit, there is 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF KRIZEVAC PROJECT

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity. and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Price Pearson

Christopher Cooper FCA FCCA (Senior Statutory Auditor)
for and on behalf of Price Pearson

28/5/24

Chartered Accountants
Statutory Auditor

Finch House
28-30 Wolverhampton Street
Dudley
West Midlands
DY1 1DB

Price Pearson is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

KRIZEVAC PROJECT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income and endowments from:					
Donations and legacies	3	4,397,180	18,132	4,415,312	1,621,225
Other trading activities	4	154,388	-	154,388	185,129
Other income	5	95,599	-	95,599	95,080
Total income		4,647,167	18,132	4,665,299	1,901,434
Expenditure on:					
Raising funds	6	57,255	-	57,255	134,744
Charitable activities	7	1,804,436	18,132	1,822,568	1,242,952
Support & governance	9	224,978	-	224,978	265,081
Total resources expended		2,086,669	18,132	2,104,801	1,642,777
Net income for the year/ Net movement in funds		2,560,498	-	2,560,498	258,657
Fund balances at 1 January 2023		1,073,467	50	1,073,517	814,860
Fund balances at 31 December 2023		3,633,965	50	3,634,015	1,073,517

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

All income and expenditure derive from continuing activities.

KRIZEVAC PROJECT

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	**12**		340,563		338,024
Investment properties	**13**		2,161,717		563,210
			2,502,280		901,234
Current assets					
Stocks	**14**	-		31,346	
Debtors	**16**	25,283		20,405	
Cash at bank and in hand		1,142,152		244,068	
		1,167,435		295,819	
Creditors: amounts falling due within one year	**17**	(35,700)		(123,536)	
Net current assets			1,131,735		172,283
Total assets less current liabilities			3,634,015		1,073,517
Income funds					
Restricted funds	**18**		50		50
Unrestricted funds			3,633,965		1,073,467
			3,634,015		1,073,517

The accounts were approved by the Trustees on 28/10/24

.....

V K Owen
Trustee

KRIZEVAC PROJECT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Cash flows from operating activities					
Cash generated from operations	1		2,503,434		357,428
Investing activities					
Purchase of tangible fixed assets		(8,843)		-	
Proceeds from disposal of tangible fixed assets		2,000		-	
Purchase of investment property		(1,598,507)		(139,460)	
Net cash used in investing activities			(1,605,350)		(139,460)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			898,084		217,968
Cash and cash equivalents at beginning of year			244,068		26,100
Cash and cash equivalents at end of year			1,142,152		244,068

1 Cash generated from operations	2023 £	2022 £
Surplus for the year	2,560,498	258,657
Adjustments for:		
Gain on disposal of tangible fixed assets	(2,000)	-
Depreciation and impairment of tangible fixed assets	6,305	27,274
Movements in working capital:		
Decrease in stocks	31,346	76,910
(Increase)/decrease in debtors	(4,878)	10,255
(Decrease) in creditors	(87,836)	(15,668)
Cash generated from operations	2,503,435	357,428

2 Accounting policies

Charity information

Krizevac Project is constituted as an unincorporated charitable trust under a Declaration of Trust dated 25 June 2006.

2.1 Accounting convention

The accounts have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

2 Accounting policies **(Continued)**

2.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from trading activities is recognised when the significant risks and rewards of ownership are transferred to the buyer.

Other income is accounted for on a receivable basis.

2.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable activities include grants made in accordance with the terms of the trust deed.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

2.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings improvements	25% p.a. straight line basis
Fixtures, fittings & equipment	25% p.a. straight line basis
Motor vehicles	25% p.a. straight line basis

Freehold land is not depreciated.

Freehold buildings have a residual value at least equal to the value in the accounts and are therefore not depreciated. This is reviewed on an annual basis to ensure no impairment is required.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

2.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

2 Accounting policies **(Continued)**

2.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

2.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.11 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

2 Accounting policies **(Continued)**

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

2.12 Taxation

The charity is exempt from tax on its charitable activities.

2.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2.16 Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Donations and gifts	4,397,180	18,132	4,415,312	1,621,225
For the year ended 31 December 2022	1,614,519	6,706		1,621,225

4 Other trading activities

	2023	2022
	£	£
Revenue from sales	68,770	21,163
Elephant bike sales	18,429	90,737
Cycle of goods sales	67,189	73,229
	154,388	185,129

All income from trading activities relates to unrestricted funds.

5 Other income

	2023	2022
	£	£
Other income	95,599	95,080

All other income relates to unrestricted funds.

6 Raising funds

	2023	2022
	£	£
Fundraising and publicity		
Advertising	6,299	5,576
Trading costs		
Elephant bike costs	1,949	18,681
Cycle of goods costs	37,778	90,543
Postage	11,229	19,944
	57,255	134,744

All expenditure in respect of raising funds relates to unrestricted funds for both 2023 and 2022.

7 Charitable activities

	Malawi	Seibo	Nigeria	Kenya	Total 2023	Total 2022
	2023	2023	2023	2023		
	£	£	£	£	£	£
Staff costs	99,952	-	-	-	99,952	62,235
Charitable expenditure	250,752	-	-	-	250,752	78,489
Shipping - exports	82,929	-	-	-	82,929	42,045
Volunteer expenses	3,985	-	-	-	3,985	7,630
	437,618	-	-	-	437,618	190,399
Grant funding of activities (see note 8)	1,152,628	218,131	14,191	-	1,384,950	1,052,553
	1,590,246	218,131	14,191	-	1,822,568	1,242,952
Analysis by fund						
Unrestricted funds	1,572,114	218,131	14,191	-	1,804,436	1,236,246
Restricted funds	18,132	-	-	-	18,132	6,706
	1,590,246	218,131	14,191	-	1,822,568	1,242,952
For the year ended 31 December 2022						
Unrestricted funds	1,138,273	85,008	10,000	2,965		1,236,246
Restricted funds	6,706	-	-	-		6,706
	1,144,979	85,008	10,000	2,965		1,242,952

8 Grants payable

	Malawi 2023 £	Seibo 2023 £	Nigeria 2023 £	Total 2022 £	Total 2021 £
Grants to institutions:					
Construction and provision of services	1,152,628	-	-	1,152,628	954,580
School meals	-	218,131	-	218,131	85,008
Stations of the cross	-	-	-	-	2,965
Agricultural project	-	-	14,191	14,191	10,000
	1,152,628	218,131	14,191	1,384,950	1,052,553

9 Support costs

	Support costs £	Governance costs £	2023 £	2022 £	Basis of allocation
Staff costs	135,176	-	135,176	169,328	Staff time
Depreciation	6,305	-	6,305	27,274	Actual
(Profit)/loss on disposals	(2,000)	-	(2,000)	-	Actual
Exchange gains	9,145	-	9,145	-	Actual
Business rates	1,760	-	1,760	2,181	Actual
General insurance	3,570	-	3,570	9,798	Actual
Utilities	(2,279)	-	(2,279)	10,688	Actual
Motor running costs	4,705	-	4,705	3,725	Actual
Telecommunications	1,144	-	1,144	2,311	Actual
Printing, postage & stationery	1,477	-	1,477	3,863	Actual
Sundry expenses	10,858	-	10,858	7,127	Actual
Repairs & maintenance	20,533	-	20,533	12,901	Actual
Legal & professional fees	15,643	-	15,643	2,136	Actual
Advertising & promotion	832	-	832	1,250	Actual
Travel expenses	7,783	-	7,783	7,321	Actual
Bank charges	646	-	646	378	Actual
Audit fees	-	9,680	9,680	4,800	Governance
	215,298	9,680	224,978	265,081	

All expenditure in respect of support costs relate to unrestricted funds for both 2023 and 2022.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the period, but 2 of them were reimbursed a total of £4,956 for travelling expenses (2022 - £3,009).

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Administration	7	9
Drivers	1	1
	8	10

Employment costs	2023 £	2022 £
Wages and salaries	211,448	209,822
Social security costs	18,264	16,872
Other pension costs	5,416	4,869
	235,128	231,563

There were no employees whose annual remuneration was £60,000 or more.

12 Tangible fixed assets

	Land and buildings improvements	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2023	582,833	32,343	12,720	627,896
Additions	-	-	8,843	8,843
Disposals	-	-	(12,720)	(12,720)
At 31 December 2023	582,833	32,343	8,843	624,019
Depreciation and impairment				
At 1 January 2023	246,861	30,291	12,720	289,872
Depreciation charged in the year	3,863	1,888	553	6,304
Eliminated in respect of disposals	-	-	(12,720)	(12,720)
At 31 December 2023	250,724	32,179	553	283,456
Carrying amount				
At 31 December 2023	332,109	164	8,290	340,563
At 31 December 2022	335,972	2,052	-	338,024

13 Investment property

	2023
	£
Fair value	
At 1 January 2023	563,210
Additions	1,598,507
At 31 December 2023	2,161,717

On 6 July 2023 A J Smith donated his family home to The Krizevac Project, the property had a value of £1,250,000.

On 15 December 2023 Radmore Management Limited donated three of it's properties to The Krizevac Project at a value of £348,507.

The investment properties were valued at 31 December 2023 by the directors at £2,161,717.

The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

14 Stocks

	2023	2022
	£	£
Finished goods and goods for resale	-	31,346

15 Financial instruments

	2023	2022
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	6,368	11,754
Carrying amount of financial liabilities		
Measured at amortised cost	29,537	115,349

16 Debtors

	2023	2022
Amounts falling due within one year:	£	£
Trade debtors	2,175	5,386
Other debtors	16,668	6,368
Prepayments and accrued income	6,440	8,651
	25,283	20,405

17 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other taxation and social security	6,163	8,187
Trade creditors	9,965	28,173
Amounts owed to Krizevac Malawi	-	65,714
Other creditors	3,898	2,859
Accruals and deferred income	15,674	18,603
	35,700	123,536

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds		
	Balance at 1 January 2023	Incoming resources	Resources expended	Balance at 31 December 2023
	£	£	£	£
Unrestricted funds:	1,073,467	4,647,166	(2,086,668)	3,633,965
Restricted funds:				
Give a Child a Chance Campaign	50	12,482	(12,482)	50
Flood Appeal	-	5,650	(5,650)	-
Seibo Maze	-	150	(150)	-
	1,073,517	4,665,448	(2,104,950)	3,634,015

Give a Child a Chance Campaign
Sponsorship of children's places in Mother Teresa Children's Centre for orphans and vulnerable children.

Seibo Maze
Sponsorship of Seibo Japan which has the aim of providing every child in the world a hot meal at school in order for them to focus on learning.

19 Analysis of net assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Fund balances at 31 December 2023 are represented by:			
Tangible assets	340,563	-	340,563
Investment properties	2,161,717	-	2,161,717
Current assets	1,131,735	50	1,131,785
	3,634,015	50	3,634,065

20 Operating lease commitments

The operating leases represent a lease to a third party. The lease is negotiated over a term of 6 years and rentals are fixed until the 1 January 2020 and renewed every second anniversary of that date. A Tenants Break clause is included as at the 1 January 2021. The tenant must give at least 6 months notice before the break date.

At the reporting end date the Charity had contracted with tenants to receive the following minimum lease payments:

	2023	2022
	£	£
Within one year	66,915	53,981
Between two and five years	211,897	278,811
	278,812	332,792

21 Related party transactions

A J Smith and Miss J M Smith control Radmore Management Limited, which in turn controls Mobell Communications Limited and Paragon Projection Limited. During the year, the charity received donations of £2,769,597 (2022 : £1,439,059) from Mobell Communications Limited and £Nil (2022: £Nil) from Paragon Projection Limited. On 15 December 2023 three properties were donated by Radmore Management Limited worth £348,507.

A J Smith is a director and owns 50% of the share capital in British Desiccant Drying Limited. During the year, the charity received donations of £25,000 (2022 : £20,000) from British Desiccant Drying Limited.

On 15 July 2023 A J Smith donated his family home to The Krizevac Project, the property had a value of £1,250,000.

The charity paid out grants in 2023 to Beehive Centre For Social Enterprise of £1,152,628 (2022 : £954,580) ; A J Smith and V K Owen are directors of the non-profit Association, Beehive Centre for Social Enterprise.

Also during the year the charity paid grants to the Japanese-registered non-profit organisation, Seibo of £218,831 (2022 : £85,158), A J Smith and V K Owen are trustees of Seibo.

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	44,817	40,576

KRIZEVAC PROJECT

England & Wales - Charity number 1115608

Accounts

Charity Registration No. 1115608

KRIZEVAC PROJECT

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

KRIZEVAC PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A J Smith Miss J M Smith V K Owen D Haworth
Charity number	1115608
Principal address	Atlas Works Paragon Road Longton Stoke on Trent ST3 1NR
Auditor	Price Pearson Finch House 28-30 Wolverhampton Street Dudley West Midlands DY1 1DB
Bankers	HSBC Bank Plc Coventry DSC Harry Weston Road Binley Coventry CV3 2TQ First Capital Bank Malawi Limited Livingstone Towers Glyn Jones Road Private Bag 122 Blantyre Malawi

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KRIZEVAC PROJECT

CONTENTS

	Page
Trustees' report	1 - 6
Independent auditor's report	7 - 9
Statement of financial activities	10
Balance sheet	11
Statement of cash flows	12
Notes to the financial statements	13 - 24

KRIZEVAC PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their annual report and financial statements for the year ended 31 December 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The charity is known as Krizevac Project and is registered with the Charities Commission No. 1115608. It is not known by any other name. The address of the principal office is Atlas Works, Paragon Road, Longton, Stoke-on-Trent, ST3 1NR.

The legal and administrative information forms part of this report.

Objectives and activities

Purposes of the charity set out in the governing document

Krizevac Project is a UK charitable trust, constituted as an unincorporated association under a Declaration of Trust, dated 20 July 2006 which sets out the Charity's purposes.

Mission Statement

Krizevac Project aims to transform some of the poorest parts of the world. Each project begins in an area of need by placing a cross on a mountain, a replica of the cross overlooking the village of Medjugorje in Bosnia Herzegovina. This inspires community transformation in these areas, founded on personal sacrifice and public service, PSPS.

The charity has erected Krizevac crosses in Malawi, Rwanda, Kenya and Nigeria and now responds to needs in surrounding local communities by constructing quality buildings, starting businesses, providing essential equipment and skilled volunteers. The charity also creates new enterprises to enable self-sustaining employment in these areas of need. This provides lasting income to fund education and family support services.

Activities Summary

The opening of two new schools in January 2022 completed a campus for lifelong learning for children from nursery to college level, with bursary places across the years to benefit the poorest of the poor. This has been the largest charitable activity in the year.

In 2022, the following priorities were acted upon, and in choosing these activities, the trustees had regard for the Charity Commission's guidance on public benefit:

Project Funding

- Construction of the Mary Queen of Peace Catholic Institute in Malawi accelerated as the effects of the pandemic receded. The main campus was completed, and substantial progress made on the first College building on a second campus.
- Investment in additional assets for the Malawi-based Torrent Logistics allowed expansion to new locations and growth in long-term revenue for school bursary places.
- Seibo school feeding in Malawi continued (£85,008).
- Small scale agricultural support in Nigeria enabled a kitchen garden project for smallholders (£10,000).
- Stations of the Cross in Kenya (£2,965)

UK

Two additional houses were added to the property rental portfolio in the UK. Trading income reduced as the Elephant Bike project came to an end, the spike in online retail sales from the pandemic lockdown receded and the supply of second hand bicycles remained low post pandemic.

Capacity Building of Beneficiary Enterprises

Support for monitoring, management, and governance of the Beehive Centre for Social Enterprise in Malawi continued. In 2022, this included a major restructuring from a single entity to three more distinct organisations for Construction, Enterprises and Education, resulting in a 10% reduction in Beehive staff overall. Our full-time UK accountant was positioned in Malawi to automate accounts and shore up the financial reporting capability.

Achievements and performance

Grants

Grant-Funded Buildings

Throughout 2022, more than 300 people worked in the Beehive construction team in Malawi, funded through Krizevac Project grants under the professional guidance of our employed architect in Malawi, acting as director of design and construction.

The new, purpose-built facilities now form part of the "Mary, Queen of Peace Catholic Campus for Lifelong Learning". The campus provides education for children from the age of six months to adulthood, with some places reserved for children from the neediest families. Two new schools were launched in 2022 (primary and secondary) with all furniture, buildings and equipment provided by Krizevac Project.

Malawi Nursery and School Feeding

A grant of £85,008 (2021: £135,925) was made to Seibo Japan, for the daily feeding of nearly 15,000 children in Malawi. This was supplemented by direct giving from Mobell Communications Limited.

Recycling

In 2022, the following was recycled and mostly shipped for use in Malawi in 8, forty-foot containers:

- Over 2,000 bicycle inner tubes
- 3 pallets of lorry curtain siding
- 2 pallets of coffee sacks
- Several tonnes of books and sewing machines
- Over 2,000 second hand bicycles
- Furniture and computers for the new schools
- Twenty, 65" high quality screens for the schools, donated by Paragon Projection Limited.

Ethical Trading

2022 saw further decrease of the UK team in response to the effects of the pandemic and the number of employees reduced to 10, down from 14 in 2021 and 17 in 2020. This number includes key personnel stationed in Malawi including two architects and an accountant.

Cycle of Good

Work on the refurbished Royal Mail "Elephant bikes" was discontinued as the supply of ex-Royal Mail bikes dried up. Throughout 2022, UK sales diminished so the team of 20 women employed in Cycle of Good Malawi, were equipped and supported to become independent workers.

A recovery year in Malawi

Beehive

In 2022, the Beehive Centre for Social Enterprise, established by Krizevac Project in 2007, employed 563 people and generated a local turnover of MWK2,423million or approximately £1.8million which was a growth of 38% on the previous year of approximately £1.3million. This increase on to the previous year's total is all the more impressive in terms of pounds sterling owing to continuing devaluation of the Malawi Kwacha, and is attributed to the growth of Torrent plant hire and logistics as well as the easing of pandemic problems.

A new director was added to lead Beehive Malawi's main source of income, Torrent Plant Vehicle Hire, releasing the existing leader to grow the new logistics division serving companies exporting produce which are less dependent on the fragile Malawi economy.

Further small enterprises are run under Beehive including Beebooks (selling second hand UK books), BeeBikes (selling second hand UK bikes), and BeeTech (providing work for IT professionals) and these all managed to pay their own costs in 2022.

Financial review

Income

A total of £1,901,434 income was received in 2022, representing an increase of 48% over the previous year. Growth was owing to recovery in most income generation following the profound negative effect of coronavirus in 2020-21, but we are yet to reach the pre-pandemic levels and UK charitable trading remains persistently low.

Donations

In 2022, Mobell Communications Limited donated a total of £1,439,059 which was 89% of all donations and 75% of all income (2021: £807,393 and 2020: £1,147,089).

A further £182,166 donations were received from individuals, of which £6,706 was restricted donations including £4,956 was in response to the floods in Southern region following cyclone Anna.

Trading Income

Total trading income was down 45% on last year at £185,129, because of the dual effects of the ending of the Elephant Bike scheme and a drop in Cycle of Good sales owing to diminishing surplus income in the UK population for high-cost gifts.

Other income from property rentals increased to £95,080 from £84,313, in spite of one major warehouse tenant going into liquidation (2020: £69,650). With great uncertainty in other trading income, trustees pursued further property investment and the purchase of two small houses. Two new commercial tenants were secured for warehousing rental, further growing this secure means of income.

Expenditure

Overall expenditure increased only slightly by 2% to £1,642,777. Charitable expenditure grew 12% to £1,242,952 up from £1,108,573 last year, but still short of total charitable expenditure of £2,176,511 in 2020.

The majority of charitable expenditure was in Malawi, totalling £1,144,979. Most of this was spent on construction of the first college building in the new campus and the completion of the construction of St Kizito Primary School and Carlo Acutis High School.

Reserves Policy

With the impact of coronavirus on donor businesses and growing level of internal charitable trading, a reserves policy will be determined which follows the Charities Commission guidance and is less dependent on the underwriting of the Radmore group of companies.

Risk Management

The trustees review risks on an ongoing basis and satisfy themselves that adequate systems and procedures are in place to manage the risks identified.

A legal challenge continues relating to one of the seven plots of land bought by Krizevac Project (Malawi) where it is hoped that there will eventually be a tertiary education and technological campus.

Beehive's financial systems are still in need of support and would otherwise present significant risk. Krizevac Project continued to strengthen the financial systems and staff with expert external accounting help. Particular support was needed with the Malawi Revenue Authority to maximise non-profit status.

The broadening of the income portfolio continued through Cycle of Good trading, reducing risks owing to the charity's heavy dependence on the two businesses of Mobell Communication and Paragon. The distinctive way the Krizevac Project has been funded through business and trading endures. This business income is broadening to include increased rental of properties in the UK presenting appreciating assets which yield low-risk ongoing revenue.

Trustees have agreed that Krizevac Project will register as a Charitable Incorporated Organisation to offer a better basis for ownership of property and employment of individuals.

Plans for future periods

- Grow education portfolio in Malawi, launching the new college campus and adding in additional years to the primary and secondary schools.
- Develop partnership with Catholic University in Malawi, to enable accreditation and quality improvement of training.
- Complete the first College building as well as design and planning permission for the second.
- Diversify Torrent Logistics to include stock control and sack maintenance.
- Strengthen governance of Beehive Centre for Social Enterprise, Mary Queen of Peace Catholic Institute, Seibo and Krizevac Project.
- Register UK Charitable Incorporated Organisation in UK to replace current charitable trust.

Structure, governance and management

Organisation

Krizevac Project is a charitable trust, governed by its trustees who are appointed or reappointed by unanimous agreement among existing trustees. The charity is immensely grateful to David Haworth for his work on our Nigeria agriculture work in the year. Trustees give their time voluntarily and receive no benefits from the charity for their work as trustees. Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities.

As a small organisation, Krizevac Project trustees are also active in the day-to-day management of the charity and related organisations and some have made several visits this year to all of the charity's activities. Trustees ensure appropriate support for the charity's IT, HR, financial reporting and management from Radmore Management Limited (owned by the trustees) which employs Vincent Owen who was seconded part time as Krizevac Project Managing Director to oversee the charity.

The trustees who served during the year and up to the date of signature of the financial statements were:

A J Smith
Miss J M Smith
V K Owen
D Haworth

The property title for the Longton factory is held in the names of A.J. Smith, J.M. Smith and V.K. Owen; no disclosure exemptions have been claimed and the trustees are acting as custodians.

Related Organisations

Beehive Centre for Social Enterprise (Beehive) has been the charity's major beneficiary and this is constituted as a non-profit company, registered by guarantee in Malawi, with objectives common to Krizevac Project. The Krizevac Project Chairman is also chairman of the board of 9 directors of Beehive, three of whom are also employees of Krizevac Project.

Krizevac Project (Malawi), is also registered as a nonprofit company in Malawi, limited by guarantee, with the same objectives. This is an autonomous entity, not a subsidiary, which owns property in Malawi, has no employees or contracts for services, and has been used to disburse charity funds and to maximise benefit of Krizevac Project donations through short term, in country investments. Two of the Krizevac Project (Malawi) trustees are also Trustees of Krizevac Project (UK) and a further two are Malawian nationals.

This year Krizevac Project further supported the growth of a Non-Profit Organisation in Japan, Seibo Maria, to feed hungry children, beginning in Malawi. The creation of a further organisation under the same name, was also supported in Malawi.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable 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 charity will continue in operation.

The trustees are responsible for keeping sufficient 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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

The auditor, Price Pearson, is deemed to be reappointed.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

Vince Owen
Vince Owen (Oct 31, 2023 11:36 GMT)

.....

V K Owen
Trustee
Dated: 31/10/2023

KRIZEVAC PROJECT

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF KRIZEVAC PROJECT

Opinion

We have audited the financial statements of Krizevac Project (the 'Charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, 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 2022 and of its incoming resources and application of resources, 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 Charities Act 2011.

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's 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF KRIZEVAC PROJECT

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees 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 directors 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to health and safety and employment (including taxation), and we considered the extent to which non-compliance may have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We evaluated managements incentives and opportunities for fraudulent manipulation of the financial statements and determined that the principal risk included revenue recognition and grant making. Audit procedures performed by the engagement team included:

- Enquiry of management and those charged with governance regarding known or suspected fraud or irregularity and the existence of actual or potential litigation.
- Enquiry of staff in finance and management functions to identify any instances of non-compliance with laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing estimates for bias.
- Agreeing financial statement disclosures to underlying supporting documentation.
- Inspecting stock count sheets and attending inventory counts at all locations.
- Testing grants made to third party evidence and documentation.

Because of the inherent limitations of an audit, there is 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF KRIZEVAC PROJECT

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Price Pearson

Christopher Cooper FCA FCCA (Senior Statutory Auditor)
for and on behalf of Price Pearson

31/10/23

Chartered Accountants
Statutory Auditor

Finch House
28-30 Wolverhampton Street
Dudley
West Midlands
DY1 1DB

Price Pearson is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

KRIZEVAC PROJECT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income and endowments from:					
Donations and legacies	3	1,614,519	6,706	1,621,225	863,041
Other trading activities	4	185,129	-	185,129	331,530
Other income	5	95,080	-	95,080	89,433
Total income		1,894,728	6,706	1,901,434	1,284,004
Expenditure on:					
Raising funds	6	134,744	-	134,744	138,593
Charitable activities	7	1,236,246	6,706	1,242,952	1,108,573
Support & governance	9	265,081	-	265,081	371,912
Total resources expended		1,636,071	6,706	1,642,777	1,619,078
Net income for the year/ Net movement in funds		258,657	-	258,657	(335,074)
Fund balances at 1 January 2022		814,810	50	814,860	1,149,934
Fund balances at 31 December 2022		1,073,467	50	1,073,517	814,860

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

All income and expenditure derive from continuing activities.

KRIZEVAC PROJECT

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	**12**		338,024		365,298
Investment properties	**13**		563,210		423,750
			901,234		789,048
Current assets					
Stocks	**14**	31,346		108,256	
Debtors	**16**	20,405		30,660	
Cash at bank and in hand		244,068		26,100	
		295,819		165,016	
Creditors: amounts falling due within one year	**17**	(123,536)		(139,204)	
Net current assets			172,283		25,812
Total assets less current liabilities			1,073,517		814,860
Income funds					
Restricted funds	**18**		50		50
Unrestricted funds			1,073,467		814,810
			1,073,517		814,860

The accounts were approved by the Trustees on 31/10/2023

Vince Owen
Vince Owen (Oct 31, 2023 11:36 GMT)

.....

V K Owen
Trustee

KRIZEVAC PROJECT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	1		357,428		(235,628)
Investing activities					
Purchase of tangible fixed assets		-		(2,258)	
Purchase of investment property		(139,460)		-	
Net cash used in investing activities			(139,460)		(2,258)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			217,968		(237,886)
Cash and cash equivalents at beginning of year			26,100		263,986
Cash and cash equivalents at end of year			244,068		26,100

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Cash generated from operations	2022 £	2021 £
Surplus for the year	258,657	(335,074)
Adjustments for:		
Depreciation and impairment of tangible fixed assets	27,274	59,230
Movements in working capital:		
Decrease/(increase) in stocks	76,910	(6,077)
Decrease in debtors	10,255	4,302
(Decrease)/increase in creditors	(15,668)	41,991
Cash generated from/(absorbed by) operations	357,428	(235,628)

2 Accounting policies

Charity information

Krizevac Project is constituted as an unincorporated charitable trust under a Declaration of Trust dated 25 June 2006.

2.1 Accounting convention

The accounts have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

2 Accounting policies **(Continued)**

2.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from trading activities is recognised when the significant risks and rewards of ownership are transferred to the buyer.

Other income is accounted for on a receivable basis.

2.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable activities include grants made in accordance with the terms of the trust deed.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

2.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings improvements	25% p.a. straight line basis
Fixtures, fittings & equipment	25% p.a. straight line basis
Motor vehicles	25% p.a. straight line basis

Freehold land is not depreciated.

Freehold buildings have a residual value at least equal to the value in the accounts and are therefore not depreciated. This is reviewed on an annual basis to ensure no impairment is required.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

2.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

2 Accounting policies **(Continued)**

2.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

2.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.11 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

2 Accounting policies **(Continued)**

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

2.12 Taxation

The charity is exempt from tax on its charitable activities.

2.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2.16 Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2022	2022	2022	2021
	£	£	£	£
Donations and gifts	1,614,519	6,706	1,621,225	863,041
For the year ended 31 December 2021	859,546	3,495		863,041

4 Other trading activities

	2022	2021
	£	£
Revenue from sales	21,163	23,847
Elephant bike sales	90,737	177,320
Cycle of goods sales	73,229	130,363
	185,129	331,530

All income from trading activities relates to unrestricted funds.

5 Other income

	2022	2021
	£	£
Other income	95,080	84,313
Coronavirus Job Retention Scheme Income	-	5,120
	95,080	89,433

All other income relates to unrestricted funds.

6 Raising funds

	2022	2021
	£	£
Fundraising and publicity		
Advertising	5,576	12,907
Trading costs		
Elephant bike costs	18,681	44,242
Cycle of goods costs	90,543	50,904
Postage	19,944	30,540
	134,744	138,593

All expenditure in respect of raising funds relates to unrestricted funds for both 2022 and 2021.

7 Charitable activities

	Malawi	Seibo	Nigeria	KenyaSierra Leone		Total 2022	Total 2021
	2022	2022	2022	2022	2022		
	£	£	£	£	£	£	£
Staff costs	62,235	-	-	-	-	62,235	39,004
Charitable expenditure	78,489	-	-	-	-	78,489	254,347
Shipping - exports	42,045	-	-	-	-	42,045	45,828
Volunteer expenses	7,630	-	-	-	-	7,630	29,799
	190,399	-	-	-	-	190,399	368,978
Grant funding of activities (see note 8)	954,580	85,008	10,000	2,965	-	1,052,553	739,595
	1,144,979	85,008	10,000	2,965	-	1,242,952	1,108,573
Analysis by fund							
Unrestricted funds	1,138,273	85,008	10,000	2,965	-	1,236,246	1,100,659
Restricted funds	6,706	-	-	-	-	6,706	7,914
	1,144,979	85,008	10,000	2,965	-	1,242,952	1,108,573
For the year ended 31 December 2021							
Unrestricted funds	963,244	133,745	-	-	3,670		1,100,659
Restricted funds	5,734	2,180	-	-	-		7,914
	968,978	135,925	-	-	3,670		1,108,573

8 Grants payable

	Malawi 2022 £	Seibo 2022 £	Nigeria 2022 £	Kenya 2022 £	Total 2022 £	Total 2021 £
Grants to institutions (25 grants):						
Construction and provision of services	954,580	-	-	-	954,580	600,000
School meals	-	85,008	-	-	85,008	135,925
Stations of the cross	-	-	-	2,965	2,965	-
Action for rural community transformation	-	-	-	-	-	3,670
Agricultural project	-	-	10,000	-	10,000	-
	954,580	85,008	10,000	2,965	1,052,553	739,595

9 Support costs

	Support costs £	Governance costs £	2022 £	2021 £	Basis of allocation
Staff costs	169,328	-	169,328	246,365	Staff time
Depreciation	27,274	-	27,274	59,230	Actual
Business rates	2,181	-	2,181	3,872	Actual
General insurance	9,798	-	9,798	7,418	Actual
Utilities	10,688	-	10,688	23,379	Actual
Motor running costs	3,725	-	3,725	3,322	Actual
Telecommunications	2,311	-	2,311	1,236	Estimated
Printing, postage & stationery	3,863	-	3,863	4,653	Actual
Sundry expenses	7,127	-	7,127	8,575	Actual
Repairs & maintenance	12,901	-	12,901	6,124	Actual
Legal & professional fees	2,136	-	2,136	1,640	Actual
Advertising & promotion	1,250	-	1,250	-	Actual
Travel expenses	7,321	-	7,321	2,046	Actual
Bank charges	378	-	378	452	Actual
Audit fees	-	4,800	4,800	3,600	Governance
	260,281	4,800	265,081	371,912	

All expenditure in respect of support costs relate to unrestricted funds for both 2022 and 2021.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the period. but 1 of them was reimbursed a total of £3,009 for travelling expenses (2021 - £1,723).

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Administration	9	13
Drivers	1	1
	10	14

Employment costs	2022 £	2021 £
Wages and salaries	209,822	259,768
Social security costs	16,872	20,224
Other pension costs	4,869	5,377
	231,563	285,369

There were no employees whose annual remuneration was £60,000 or more.

12 Tangible fixed assets

	Land and buildings improvements	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2022	582,833	32,343	12,720	627,896
At 31 December 2022	582,833	32,343	12,720	627,896
Depreciation and impairment				
At 1 January 2022	223,889	25,989	12,720	262,598
Depreciation charged in the year	22,972	4,302	-	27,274
At 31 December 2022	246,861	30,291	12,720	289,872
Carrying amount				
At 31 December 2022	335,972	2,052	-	338,024
At 31 December 2021	358,944	6,354	-	365,298

13 Investment property

	2022
	£
Fair value	
At 1 January 2022	423,750
Additions	139,460
At 31 December 2022	563,210

The investment properties were valued at 31 December 2022 by the directors at £563,210.

The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

14 Stocks

	2022	2021
	£	£
Finished goods and goods for resale	31,346	108,256

15 Financial instruments

	2022	2021
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	11,754	24,115
Carrying amount of financial liabilities		
Measured at amortised cost	115,349	133,409

16 Debtors

	2022	2021
Amounts falling due within one year:	£	£
Trade debtors	5,386	19,939
Other debtors	6,368	4,176
Prepayments and accrued income	8,651	6,545
	20,405	30,660

17 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	8,187	5,795
Trade creditors	28,173	29,428
Amounts owed to Krizevac Malawi	65,714	83,739
Other creditors	2,859	1,090
Accruals and deferred income	18,603	19,152
	123,536	139,204

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds		
	Balance at 1 January 2022	Incoming resources	Resources expended	Balance at 31 December 2022
	£	£	£	£
Unrestricted funds:	814,810	1,894,728	(1,636,071)	1,073,467
Restricted funds:				
Give a Child a Chance Campaign	50	1,600	(1,600)	50
Flood Appeal	-	4,956	(4,956)	-
Seibo Maze	-	150	(150)	-
	814,860	1,901,434	(1,642,777)	1,073,517

Give a Child a Chance Campaign
Sponsorship of children's places in Mother Teresa Children's Centre for orphans and vulnerable children.

Seibo Maze
Sponsorship of Seibo Japan which has the aim of providing every child in the world a hot meal at school in order for them to focus on learning.

19 Analysis of net assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Fund balances at 31 December 2022 are represented by:			
Tangible assets	338,024	-	338,024
Investment properties	563,210	-	563,210
Current assets	172,233	50	172,283
	1,073,467	50	1,073,517

20 Operating lease commitments

The operating leases represent a lease to a third party. The lease is negotiated over a term of 6 years and rentals are fixed until the 1 January 2020 and renewed every second anniversary of that date. A Tenants Break clause is included as at the 1 January 2021. The tenant must give at least 6 months notice before the break date.

At the reporting end date the Charity had contracted with tenants to receive the following minimum lease payments:

	2022 £	2021 £
Within one year	53,981	76,520
Between two and five years	278,811	245,067
	332,792	321,587

21 Related party transactions

A J Smith and Miss J M Smith control Radmore Management Limited, which in turn controls Mobell Communications Limited and Paragon Projection Limited. During the year, the charity received donations of £1,439,059 (2021 : £806,886) from Mobell Communications Limited and £Nil (2021: £Nil) from Paragon Projection Limited.

A J Smith is a director and owns 50% of the share capital in British Desiccant Drying Limited. During the year, the charity received donations of £20,000 (2021 : £50,000) from British Desiccant Drying Limited.

The charity paid out grants in 2022 to Beehive Centre For Social Enterprise of £954,580 (2021 : £600,000) ; A J Smith and V K Owen are directors of the non-profit Association, Beehive Centre for Social Enterprise.

Also during the year the charity paid grants to the Japanese-registered non-profit organisation, Seibo of £85,158 (2021 : £135,925), A J Smith and V K Owen are trustees of Seibo.

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	40,576	29,100

KRIZEVAC PROJECT

England & Wales - Charity number 1115608

Accounts

Charity registration number 1115608

KRIZEVAC PROJECT

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

KRIZEVAC PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A J Smith Miss J M Smith V K Owen D Haworth
Charity number	1115608
Principal address	Atlas Works Paragon Road Longton Stoke on Trent ST3 1NR
Auditor	Price Pearson Finch House 28-30 Wolverhampton Street Dudley West Midlands DY1 1DB
Bankers	HSBC Bank Plc Coventry DSC Harry Weston Road Binley Coventry CV3 2TQ First Capital Bank Malawi Limited Livingstone Towers Glyn Jones Road Private Bag 122 Blantyre Malawi

KRIZEVAC PROJECT

CONTENTS

	Page
Trustees' report	1 - 7
Independent auditor's report	8 - 11
Statement of financial activities	12
Balance sheet	13
Statement of cash flows	14
Notes to the financial statements	15 - 28

KRIZEVAC PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The charity is known as Krizevac Project and is registered with the Charities Commission No. 1115608. It is not known by any other name. The address of the principal office is Atlas Works, Paragon Road, Longton, Stoke-on-Trent, ST3 1NR.

The legal and administrative information forms part of this report.

Objectives and activities

Purposes of the charity set out in the governing document

Krizevac Project is a UK charitable trust, constituted as an unincorporated association under a Declaration of Trust, dated 20 July 2006 which sets out the Charity's purposes.

Aims

Krizevac Project aims to transform some of the poorest parts of the world. Each project begins in an area of need by placing a cross on a mountain, a replica of the cross overlooking the village of Medjugorje in Bosnia Herzegovina. This inspires community transformation in these areas, founded on personal sacrifice and public service, PSPS.

The charity has erected Krizevac crosses in Malawi, Rwanda and Nigeria and now responds to needs in local communities by constructing quality buildings, providing essential equipment and skilled volunteers. The charity also creates new enterprises to enable self-sustaining employment in these areas of need. This provides lasting income to fund education and family support services.

Activities Summary

The opening of two new schools in January 2022 completed a campus for lifelong learning for children from nursery to college level, with bursary places across the years to benefit the poorest of the poor. 33 teachers and caregivers were recruited in the year and a director of Education, Fr Felix Nanyallo, was appointed.

All the schools under Beehive Centre for Social Enterprise were positioned as part of the new Mary Queen of Peace Catholic Institute, the name given to the completed campus. Work also began on a new campus which will become a university.

In 2021, the following priorities were acted upon, and in choosing these activities, the trustees had regard for the Charity Commission's guidance on public benefit:

Project Funding

1) Continued construction of the Mary Queen of Peace Catholic Institute in Malawi (£600,000).
2) Seibo school feeding in Malawi (£135,925).
3) Small scale agricultural support in Sierra Leone (£3,670).

Asset investment Malawi

Additional accountability and scrutiny was put in place at Torrent Plant Rentals and the new Torrent Logistics endeavour was supported with 4 additional forklifts which will generate income for the children's centre over coming years.

Capacity Building of Beneficiary Enterprises

Support for monitoring, evaluation, and governance of the Beehive Centre for Social Enterprise in Malawi continued.

Achievements and performance

Grant-Funded Buildings

Throughout 2021, more than 300 people worked in the Beehive construction team in Malawi, funded through Krizevac Project grants under the professional guidance of our employed architect in Malawi.

The new, purpose-built facilities now form part of the "Mary, Queen of Peace Catholic Campus for Lifelong Learning". The campus provides education for children from the age of six months to adulthood, with some places reserved for children from the most needy families and comprises of:

Mother Teresa Catholic Nursery School	- Completed
St Kizito Catholic Primary School	- Completed
Carlo Acutis Catholic High School	- Completed
St John Paul II Catholic College	- Completed
Mother Teresa outreach & family support	- Completed

Malawi Nursery and School Feeding

A grant of £135,925 (2020 £191,667) was made to Seibo Japan, for the daily feeding of nearly 15,000 children in Malawi.

Sierra Leone Girl's Education

In Sierra Leone, £3,670 was used in support of the "Support the Education of Girl Child Project" with the overall objective of "transforming the lives of women and girls in rural areas. This project is working through improved access to education, skills and livelihood opportunities to reduce early marriage and early childbearing through advocacy, skills development, financial and social support activities. The project was implemented in Yoni Chiefdom, Tonkolili District by the Action for Rural Community Transformation -Sierra Leone (ARCT-S/L), a local Non-Governmental Organization in Sierra Leone.

Recycling

In 2021, the following was recycled and mostly shipped for use in Malawi in 6, forty-foot containers:

- Over 7,000 bicycle inner tubes
- 7 pallets of lorry curtain siding
- 2 pallets of coffee sacks
- Several tonnes of books and sewing machines
- Over 500 second hand bicycles

Ethical Trading

2021 saw further decrease of the UK team in response to the effects of the pandemic and the number of employees reduced to 13, down from 17 in 2020. This number includes key personnel stationed in Malawi including two architects and an accountant.

Cycle of Good

Work on the refurbished Royal Mail "Elephant bikes" continued, though the pandemic has caused the involvement of UK prisons in dismantling the bikes to cease. Throughout 2021, UK sales grew and continued to support a team of 20 women to be employed in Cycle of Good Malawi, all of whom were previously unemployed trainees and who work daily to turn rubbish into items of value.

A third tough year in Malawi

Beehive

In 2021, The Beehive Centre for Social Enterprise, established by Krizevac Project in 2007, employed 556 people and generated a local turnover of MWK1,623,633million or approximately £1,353,027 (2020: MWK1,473,861) in spite of the pandemic. This increase of 20% on to the previous year's total was more modest in terms of pounds sterling owing to continuing devaluation of the Malawi Kwacha. The cumulative effect of three poor years meant that budgetary support was needed for Beehive.

During 2021, the children's centre and John Paul II Institute were open all year, in contrast to 2020 when they closed down for nearly 8 months. In addition to Father Felix Nanyallo being appointed as the overall director for education across the entire Mary Queen of Peace Catholic Campus, 33 new staff were engaged as teachers and caregivers in the Mother Teresa Catholic Nursery, St Kizito Catholic Primary School and Carlo Acutis Catholic High School.

Beehive Malawi's main source of income continues to be Torrent Plant Vehicle Hire and the fragility in the construction sector meant that the new logistics division was grown and this promises to serve companies exporting produce so are less dependent on the Malawi economy.

Further small enterprises are run under Beehive including Beebooks (selling second hand UK books), BeeBikes (selling second hand UK bikes), and BeeTech (providing work for IT professionals) and these all managed to pay their own costs in 2020.

Financial review

Income

A total of £1,284,004 income was received in 2021, representing a decrease of 29% over the previous year. Despite the lower income, construction work in Malawi was maintained at a good level to employ all of the core team in Beehive Centre for Social Enterprise throughout the profound negative effect of coronavirus in 2020-21.

Donations

In 2021, Mobell Communications Limited donated a total of £807,393 which was 94% of all donations and 63% of all income (2020: £1,147,089 and 2019: £1,859,135).

A further £55,648 donations were received from individuals, of which £3,495 was restricted donations sponsoring children in Mother Teresa Children's Centre under the "Give a Child a Chance" scheme.

Trading Income

Total trading income was down 9% on last year at £331,530, largely because of continuing shortage of used bikes in the UK. In 2021, second-hand goods sales reached £23,847, a reduction of 66% from 2020 (2020: £69,650). In contrast, Elephant Bike sales held their own at £177,320, down just 6% down on the previous year, in spite of significantly smaller staff team (2020: £189,752 and 2019: £124,177) while Cycle of Good sales grew 39% to £130,363 (2020: £93,495) as brand awareness grew and the population shopped more online during the pandemic.

Other income from property rentals increased to £84,313 from £69,650 (2019: £60,700). With great uncertainty in trading income, trustees pursued further property investment and the purchase of two small houses was completed after the end of this financial year in January 2022.

Expenditure

With reduced income and lower cash reserves, overall expenditure decreased 39.5% to £1,619,078 and the largest decrease was in charitable expenditure which fell 49% to £1,108,573, down from £2,176,511 in 2020. The cost of trading activity reduced 9% to £138,593 and other costs stayed similar.

The majority of charitable expenditure was in Malawi with grants made to Beehive Centre for Social Enterprise totalling £600,000 (2020: £1,351,613 and 2019: £706,612). In the absence of any government furlough scheme in Malawi, this allowed for some exceptional budgetary support of employees in Beehive Centre for Social Enterprise as well as the completion of the construction of St Kizito Primary School and Carlo Acutis High School and asset investment in Torrent Plant Hire which provides ongoing revenue for the children's centre.

Reserves Policy

With the impact of coronavirus on donor businesses and growing level of internal charitable trading, a reserves policy will be determined which follows the Charities Commission guidance and is less dependent on the underwriting of the Radmore group of companies.

Risk Management
The trustees review risks on an ongoing basis and satisfy themselves that adequate systems and procedures are in place to manage the risks identified.

A legal challenge continues relating to one of the seven plots of land bought by Krizevac Project (Malawi) where it is hoped that there will eventually be a tertiary education and technological campus.

Beehive's financial systems are still in need of support and would otherwise present significant risk. Krizevac Project continued to strengthen the financial systems and staff with expert external accounting help. Particular support was needed with the Malawi Revenue Authority to maximise non-profit status.

The broadening of the income portfolio continues successfully through Cycle of Good trading, reducing risks owing to the charity's heavy dependence on the two businesses of Mobell Communication and Paragon. The distinctive way the Krizevac Project has been funded through business and trading endures.

Plans for future periods
- Grow education portfolio in Malawi, launching the new primary and secondary schools
- Develop partnership with Newman Catholic University in Birmingham, UK to enable UK accreditation and quality improvement of training.
- Complete design of the first university building in Malawi as well as construction of the reinforced concrete frame and roof.
- Diversify Torrent Logistics to include stock control and sack maintenance.
- Restructure Beehive Centre for Social Enterprise, registering Mary Queen of Peace Catholic Institute as a separate incorporated entity.
- Register UK Charitable Incorporated Organisation in UK to replace current charitable trust.

Structure, governance and management

Organisation

Krizevac Project is a charitable trust, governed by its trustees who are appointed or reappointed by unanimous agreement among existing trustees. The charity is immensely grateful to David Haworth for his work on our Nigeria agriculture work in the year. Trustees give their time voluntarily and receive no benefits from the charity for their work as trustees. Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities.

As a small organisation, Krizevac Project trustees are also active in the day-to-day management of the charity and related organisations and some have made several visits this year to all of the charity's activities. Trustees ensure appropriate support for the charity's IT, HR, financial reporting and management from Radmore Management Limited (owned by the trustees) which employs Vincent Owen who was seconded part time as Krizevac Project Managing Director to oversee the charity.

The trustees who served during the year and up to the date of signature of the financial statements were:
A J Smith
Miss J M Smith
V K Owen
D Haworth

J. M. Smith	Reappointed until October 2024
D. Haworth	Reappointed until October 2025
A.J Smith	Chair of Trustees until June 2026
V.K. Owen	Trustee until September 2026

The property title for the Longton factory is held in the names of A.J. Smith, J.M. Smith and V.K. Owen; no disclosure exemptions have been claimed and the trustees are not acting as custodians.

Related Organisations

Beehive Centre for Social Enterprise (Beehive) has been the charity's major beneficiary and this is constituted as a non-profit company, registered by guarantee in Malawi, with objectives common to Krizevac Project. The Krizevac Project Chairman is also chairman of the board of 9 directors of Beehive, three of whom are also employees of Krizevac Project.

Krizevac Project (Malawi), is also registered as a nonprofit company in Malawi, limited by guarantee, with the same objectives. This is an autonomous entity, not a subsidiary, which owns property in Malawi, has no employees or contracts for services, and has been used to disburse charity funds and to maximise benefit of Krizevac Project donations through short term, in country investments. Two of the Krizevac Project (Malawi) trustees are also Trustees of Krizevac Project (UK) and a further two are Malawian nationals.

This year Krizevac Project further supported the growth of a Non-Profit Organisation in Japan, Seibo Maria, to feed hungry children, beginning in Malawi. The creation of a further organisation under the same name, was also supported in Malawi.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable 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 charity will continue in operation.

The trustees are responsible for keeping sufficient 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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

The auditor, Price Pearson, is deemed to be reappointed.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

Vince Owen
Vince Owen (Oct 31, 2022 10:33 GMT)

V K Owen
Trustee
Dated: 31/10/2022

KRIZEVAC PROJECT

INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF KRIZEVAC PROJECT

Opinion

We have audited the financial statements of Krizevac Project (the 'Charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 2021 and of its incoming resources and application of resources, 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 Charities Act 2011.

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's 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF KRIZEVAC PROJECT

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 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 directors 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to health and safety and employment (including taxation), and we considered the extent to which non-compliance may have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We evaluated managements incentives and opportunities for fraudulent manipulation of the financial statements and determined that the principal risk included revenue recognition and grant making. Audit procedures performed by the engagement team included:

- Enquiry of management and those charged with governance regarding known or suspected fraud or irregularity and the existence of actual or potential litigation.
- Enquiry of staff in finance and management functions to identify any instances of non-compliance with laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing estimates for bias.
- Agreeing financial statement disclosures to underlying supporting documentation.
- Inspecting stock count sheets and attending inventory counts at all locations.
- Testing grants made to third party evidence and documentation.

Because of the inherent limitations of an audit, there is 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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE TRUSTEES OF KRIZEVAC PROJECT

Use of our report
This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Christopher Cooper FCA FCCA (Senior Statutory Auditor)
for and on behalf of Price Pearson

31.10.22

Chartered Accountants
Statutory Auditor

Finch House
28-30 Wolverhampton Street
Dudley
West Midlands
DY1 1DB

Price Pearson is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

KRIZEVAC PROJECT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income and endowments from:					
Donations and legacies	3	859,546	3,495	863,041	1,354,713
Other trading activities	4	331,530	-	331,530	362,885
Other income	5	89,433	-	89,433	109,374
Total income		1,280,509	3,495	1,284,004	1,826,972
Expenditure on:					
Raising funds	6	138,593	-	138,593	152,555
Charitable activities	7	1,100,659	7,914	1,108,573	2,176,511
Support & governance	9	371,912	-	371,912	347,090
Total resources expended		1,611,164	7,914	1,619,078	2,676,156
Net income/(expenditure) for the year/ Net movement in funds		(330,655)	(4,419)	(335,074)	(849,184)
Fund balances at 1 January 2021		1,145,465	4,469	1,149,934	1,999,118
Fund balances at 31 December 2021		814,810	50	814,860	1,149,934

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

All income and expenditure derive from continuing activities.

KRIZEVAC PROJECT

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	**12**		365,298		422,270
Investment properties	**13**		423,750		423,750
			789,048		846,020
Current assets					
Stocks	**14**	108,256		102,179	
Debtors	**16**	30,660		34,962	
Cash at bank and in hand		26,100		263,986	
		165,016		401,127	
Creditors: amounts falling due within one year	**17**	(139,204)		(97,213)	
Net current assets			25,812		303,914
Total assets less current liabilities			814,860		1,149,934
Income funds					
Restricted funds	**18**		50		4,469
Unrestricted funds			814,810		1,145,465
			814,860		1,149,934

The accounts were approved by the Trustees on 31.10.22...

Vince Owen
Vince Owen (Oct 31, 2022 10:33 GMT)

.....

V K Owen
Trustee

KRIZEVAC PROJECT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	1		(235,628)		(806,318)
Investing activities					
Purchase of tangible fixed assets		(2,258)		(798)	
Net cash used in investing activities			(2,258)		(798)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(237,886)		(807,116)
Cash and cash equivalents at beginning of year			263,986		1,071,102
Cash and cash equivalents at end of year			26,100		263,986

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1	**Cash generated from operations**	**2021**	**2020**
		£	**£**
	Surplus/(deficit) for the year	(335,074)	(849,184)
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	59,230	68,192
	Movements in working capital:		
	(Increase) in stocks	(6,077)	(102,179)
	Decrease in debtors	4,302	32,908
	Increase in creditors	41,991	43,945
	Cash absorbed by operations	(235,628)	(806,318)

2 Accounting policies

Charity information

Krizevac Project is constituted as an unincorporated charitable trust under a Declaration of Trust dated 25 June 2006.

2.1 Accounting convention

The accounts have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

2 Accounting policies **(Continued)**

2.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from trading activities is recognised when the significant risks and rewards of ownership are transferred to the buyer.

Other income is accounted for on a receivable basis.

2.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable activities include grants made in accordance with the terms of the trust deed.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

2.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings improvements	25% p.a. straight line basis
Fixtures, fittings & equipment	25% p.a. straight line basis
Motor vehicles	25% p.a. straight line basis

Freehold land is not depreciated.

Freehold buildings have a residual value at least equal to the value in the accounts and are therefore not depreciated. This is reviewed on an annual basis to ensure no impairment is required.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

2 Accounting policies **(Continued)**

2.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

2.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

2.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.11 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

2 **Accounting policies** **(Continued)**

Impairment of financial assets
Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities
Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities
Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

2.12 Taxation
The charity is exempt from tax on its charitable activities.

2.13 Employee benefits
The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.14 Retirement benefits
Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Accounting policies **(Continued)**

2.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2.16 Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Donations and gifts	859,546	3,495	863,041	1,354,713
For the year ended 31 December 2020	1,353,088	1,625		1,354,713

4 Other trading activities

	2021	2020
	£	£
Covid appeal income	-	8,698
Revenue from sales	23,847	70,940
Elephant bike sales	177,320	189,752
Cycle of goods sales	130,363	93,495
	331,530	362,885

All income from trading activities relates to unrestricted funds.

5 Other income

	2021	2020
	£	£
Other income	84,313	69,650
Coronavirus Job Retention Scheme Income	5,120	39,724
	89,433	109,374

All other income relates to unrestricted funds.

6 Raising funds

	2021	2020
	£	£
Fundraising and publicity		
Advertising	12,907	7,986
Trading costs		
Elephant bike costs	44,242	53,017
Cycle of goods costs	50,904	60,557
Postage	30,540	30,995
	138,593	152,555

All expenditure in respect of raising funds relates to unrestricted funds for both 2021 and 2020.

7 Charitable activities

	Malawi 2021 £	Seibo 2021 £	Nigeria 2021 £	Kenya 2021 £	Sierra Leone 2021 £	Total 2021 £	Total 2020 £
Staff costs	39,004	-	-	-	-	39,004	151,475
Charitable expenditure	254,347	-	-	-	-	254,347	404,506
Shipping - exports	45,828	-	-	-	-	45,828	32,257
Transport costs (collections)	-	-	-	-	-	-	6
Volunteer expenses	29,799	-	-	-	-	29,799	21,277
Covid appeal payments	-	-	-	-	-	-	8,698
	368,978	-	-	-	-	368,978	618,219
Grant funding of activities (see note 8)	600,000	135,925	-	-	3,670	739,595	1,558,292
	968,978	135,925	-	-	3,670	1,108,573	2,176,511
Analysis by fund							
Unrestricted funds	963,244	133,745	-	-	3,670	1,100,659	2,175,957
Restricted funds	5,734	2,180	-	-	-	7,914	554
	968,978	135,925	-	-	3,670	1,108,573	2,176,511
For the year ended 31 December 2020							
Unrestricted funds	1,969,278	191,667	4,718	10,294	-		2,175,957
Restricted funds	554	-	-	-	-		554
	1,969,832	191,667	4,718	10,294	-		2,176,511

8 Grants payable

	Malawi 2021 £	Seibo 2021 £	Sierra Leone 2021 £	Total 2021 £	2020 £
Grants to institutions (9 grants):					
Construction and provision of services	600,000	-	-	600,000	1,351,613
School meals	-	135,925	-	135,925	191,667
Stations of the cross	-	-	-	-	15,012
Action for Rural community transformation	-	-	3,670	3,670	-
	600,000	135,925	3,670	739,595	1,558,292

-

9 Support costs

	Support costs £	Governance costs £	2021 £	2020 £	Basis of allocation
Staff costs	246,365	-	246,365	215,993	Staff time
Depreciation	59,230	-	59,230	68,192	Actual
Exchange gains	-	-	-	(3,351)	Actual
Business rates	3,872	-	3,872	4,601	Actual
General insurance	7,418	-	7,418	6,195	Actual
Utilities	23,379	-	23,379	9,094	Actual
Motor running costs	3,322	-	3,322	3,992	Actual
Telecommunications	1,236	-	1,236	4,408	Estimated
Printing, postage & stationery	4,653	-	4,653	6,326	Actual
Sundry expenses	8,575	-	8,575	10,919	Actual
Repairs & maintenance	6,124	-	6,124	5,198	Actual
Legal & professional fees	1,640	-	1,640	7,137	Actual
Recruitment	-	-	-	480	Actual
Travel expenses	2,046	-	2,046	3,513	Actual
Bank charges	452	-	452	593	Actual
Audit fees	-	3,600	3,600	3,800	Governance
	368,312	3,600	371,912	347,090	

All expenditure in respect of support costs relate to unrestricted funds for both 2021 and 2020.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the period, but 1 of them was reimbursed a total of £1,723 for travelling expenses (2020 - £Nil).

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Administration	13	17
Drivers	1	1
	14	18

Employment costs	2021 £	2020 £
Wages and salaries	259,768	335,021
Social security costs	20,224	25,598
Other pension costs	5,377	6,849
	285,369	367,468

There were no employees whose annual remuneration was £60,000 or more.

12 Tangible fixed assets

	Land and buildings improvements	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2021	580,575	32,343	12,720	625,638
Additions	2,258	-	-	2,258
At 31 December 2021	582,833	32,343	12,720	627,896
Depreciation and impairment				
At 1 January 2021	170,740	19,908	12,720	203,368
Depreciation charged in the year	53,149	6,081	-	59,230
At 31 December 2021	223,889	25,989	12,720	262,598
Carrying amount				
At 31 December 2021	358,944	6,354	-	365,298
At 31 December 2020	409,835	12,435	-	422,270

13 Investment property

	2021
	£
Fair value	
At 1 January 2021 and 31 December 2021	423,750

The investment properties were valued at 31 December 2021 by the directors at £423,750.

The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

14 Stocks

	2021	2020
	£	£
Finished goods and goods for resale	108,256	102,179

15 Financial instruments

	2021	2020
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	24,115	28,266
Carrying amount of financial liabilities		
Measured at amortised cost	133,409	84,696

16 Debtors

Amounts falling due within one year:	2021 £	2020 £
Trade debtors	19,939	24,100
Other debtors	4,176	4,166
Prepayments and accrued income	6,545	6,696
	30,660	34,962

17 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	5,795	12,517
Trade creditors	29,428	8,350
Amounts owed to Krizevac Malawi	83,739	65,746
Other creditors	1,090	2,753
Accruals and deferred income	19,152	7,847
	139,204	97,213

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds		
	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Balance at 31 December 2021 £
Unrestricted funds:	1,145,465	1,280,509	(1,611,164)	814,810
Restricted funds:				
Give a Child a Chance Campaign	4,289	1,495	(5,734)	50
Seibo Maze	180	2,000	(2,180)	-
	1,149,934	1,284,004	(1,619,078)	814,860

Give a Child a Chance Campaign
Sponsorship of children's places in Mother Teresa Children's Centre for orphans and vulnerable children.

Seibo Maze
Sponsorship of Seibo Japan which has the aim of providing every child in the world a hot meal at school in order for them to focus on learning.

19 Analysis of net assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Fund balances at 31 December 2021 are represented by:			
Tangible assets	365,298	-	365,298
Investment properties	423,750	-	423,750
Current assets	25,762	50	25,812
	814,810	50	814,860

20 Events after the reporting date

On 13 January 2022, Krizevac Project purchased two residential properties. The total cost of these two properties were £139,460.

The two properties will generate rental income.

21 Operating lease commitments

The operating leases represent a lease to a third party. The lease is negotiated over a term of 6 years and rentals are fixed until the 1 January 2020 and renewed every second anniversary of that date. A Tenants Break clause is included as at the 1 January 2021. The tenant must give at least 6 months notice before the break date.

At the reporting end date the Charity had contracted with tenants for the following minimum lease payments:

	2021 £	2020 £
Within one year	76,520	67,269
Between two and five years	245,067	119,300
	321,587	186,569

22 Related party transactions

A J Smith and Miss J M Smith control Radmore Management Limited, which in turn controls Mobell Communications Limited and Paragon Projection Limited. During the year, the charity received donations of £807,393 (2020 : £1,147,089) from Mobell Communications Limited and £Nil (2020: £Nil) from Paragon Projection Limited.

A J Smith is a director and owns 50% of the share capital in British Desiccant Drying Limited. During the year, the charity received donations of £50,000 (2020 : £500) from British Desiccant Drying Limited.

The charity paid out grants in 2020 to Beehive Centre For Social Enterprise of £600,000 (2020 : £1,351,613) ; A J Smith and V K Owen are directors of the non-profit Association, Beehive Centre for Social Enterprise.

Also during the year the charity paid grants to the Japanese-registered non-profit organisation, Seibo of £135,925 (2020 : £191,667), A J Smith and V K Owen are trustees of Seibo.

During the year, the charity sold a number of products to a relative of A J Smith and V K Owen company " The Saltworks Trading Company Limited" for a total of £Nil (2020 : £17,980).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	29,100	41,776

KRIZEVAC PROJECT

England & Wales - Charity number 1115608

Accounts

Charity Registration No. 1115608

KRIZEVAC PROJECT

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

KRIZEVAC PROJECT

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A J Smith Miss J M Smith V K Owen D Haworth
Charity number	1115608
Principal address	Atlas Works Paragon Road Longton Stoke on Trent ST3 1NR
Auditor	Price Pearson Finch House 28-30 Wolverhampton Street Dudley West Midlands DY1 1DB
Bankers	HSBC Bank Plc Coventry DSC Harry Weston Road Binley Coventry CV3 2TQ First Capital Bank Malawi Limited Livingstone Towers Glyn Jones Road Private Bag 122 Blantyre Malawi

KRIZEVAC PROJECT

CONTENTS

	Page
Trustees' report	1 - 7
Independent auditor's report	8 - 11
Statement of financial activities	12
Balance sheet	13
Statement of cash flows	14
Notes to the financial statements	15 - 28

KRIZEVAC PROJECT

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The charity is known as Krizevac Project and is registered with the Charities Commission No. 1115608. It is not known by any other name. The address of the principal office is Atlas Works, Paragon Road, Longton, Stoke-on-Trent, ST3 1NR.

The legal and administrative information forms part of this report.

Objectives and activities

Purposes of the charity set out in the governing document

Krizevac Project is a UK charitable trust, constituted as an unincorporated association under a Declaration of Trust, dated 20 July 2006 which sets out the Charity's purposes.

Aims

Krizevac Project aims to transform some of the poorest parts of the world. Each project area begins in an area of need by placing a cross on a mountain, a replica of the Krizevac cross overlooking the village of Medjugorje. This has inspired community transformation in these areas, founded on personal sacrifice and public service, PSPS.

The charity has erected Krizevac crosses in Malawi, Rwanda and Nigeria and now responds to needs in local communities by constructing quality buildings, providing essential equipment and skilled volunteers. The charity also creates new enterprises to enable self-sustaining employment in these areas of need. This also provides lasting income to fund education and family support services.

Our vision is that there will be at least 15 Krizevac mountains, each in a different country of Africa by 2033. The communities beside these Krizevac mountains will be transformed from areas of deprivation to prosperity. Each Krizevac cross will be the epicentre of lasting, positive, enterprising change which will spread from this point to an ever-increasing area. Krizevac communities will become, like the village of Medjugorje, a well spring of deep peace and inspiration for those who visit and live there.

Activities Summary

2020 was a year subjected to unprecedented change and uncertainty. The charity reaction to the profound effect of coronavirus has been to move quickly to reduce staff and costs in the UK with furlough and redundancies while continuing grant giving to support the charity's core purposes.

In 2020 the following priorities were acted upon, and in choosing these activities, the trustees had regard for the Charity Commission's guidance on public benefit:

Grants

1) Continued construction of the Beehive campus, eventually to become "Mary, Queen of Peace Catholic Campus" in Malawi.

2) Asset investment for Beehive Centre for Social Enterprise, Malawi, funding the growth of a new warehouse logistics business within Torrent Plant Hire in Malawi which has shored up long-term funding of bursaries for the most needy children.

3) Seibo school feeding in Malawi.

4) Small scale agricultural support in North Eastern Nigeria.

Recycling and Ethical Trading

Growth of charitable trading of recycled goods made in Malawi, through Cycle of Good in the UK. This primary purpose trading embeds beneficiaries and trainees in the process of providing quality services and goods made from recycled materials.

Capacity Building of Beneficiary Enterprises

Support for monitoring, evaluation, and governance of the Beehive Centre for Social Enterprise in Malawi.

Achievements and performance

Grant-Funded Buildings

Throughout 2020, more than 300 people worked in the Beehive construction team in Malawi, funded through Krizevac Project grants under the professional guidance of our project architect in Malawi.

The new, purpose-built facilities will eventually form part of the "Mary, Queen of Peace Catholic Campus for Lifelong Learning". The campus will provide education for children from the age of six months to adulthood, with some places reserved for children from the most needy families and will comprise of:

Mother Teresa Catholic Nursery School	- Completed
St Kizito Catholic Primary School	- In progress
Carlo Acutis Catholic High School	- Planned
John Paul II Leadership and IT College	- Completed
Teacher Training (may fall under JPII LITI)	- Planned
Mother Teresa outreach & family support	- Completed

Grants for Seibo School Feeding

In 2020, grants totalling £191,667 (2019: £247,607) were given to the non profit organisation, Seibo, in Japan which in turn fed nearly 15,000 children with a daily school meal in primary schools in the north of Malawi and others in childcare settings in Blantyre.

Grant for Nigeria - Grant funding to the Maiduguri agricultural project continued in 2020 with £4,718 given tthough the Catholic diocese of Maiduguri in Nigeria. This enabled more farmers in need to begin an agricultural extension project in the area nearby to the cross there. Local selection of beneficiary farmers has proven successful in identifying the most needy and this important project aims, though providing agricultural jobs, ultimately to bring peace to an area beset with terrorism.

Recycling

In 2020, the following was recycled and mostly shipped for use in Malawi in 17 forty-foot containers:

- Over 10,000 bicycle inner tubes
- 11 pallets of lorry curtain siding
- 6 pallets of coffee sacks
- Several tonnes of books and sewing machines
- Over 1,000 second hand bicycles

Ethical Trading

2020 saw the decrease of the UK team in response to the effects of the pandemic.

Beehive Digital

Sales were slow and implementation problematic so with the onset of Coronavirus, the UK side of this enterprise was mothballed in the first half of 2020 with 4 redundant staff in the UK and three of the Malawi team finding alternative employment.

Cycle of Good

Work on Elephant bikes with Dovegate prison was put on hold and most staff furloughed in March 2020, with work beginning again in May 2020. In spite of UK reductions, sales continued to support a team of 20 women employed in Cycle of Good Malawi, all of whom were previously unemployed trainees and who work daily to turn rubbish into items of value..

Two tough years in Malawi

Beehive

The Beehive Centre for Social Enterprise, established by Krizevac Project in 2007, employed 382 people and generated a local turnover of approximately £1,235,229million, in spite of the pandemic. This was similar to the previous year's total when Malawi was suffering political, and economic fallout from election failure in Malawi. The cumulative effect of two poor years meant that budgetary support was needed for Beehive.

During 2020, the children's centre and John Paul II Institute were closed down for nearly 8 months.

Beehive Malawi's main source of income continues to be Torrent Plant Vehicle Hire and the fragility in the construction sector meant that a new logistics division was launched which is more resilient to the vagaries of Malawi's economy.

Financial review

Income

A total of £1,825,347 income was received in 2020, representing a decrease of 24% over the previous year total of £2,406,055. In spite of the lower income, the healthy cash position at the start of 2020 meant that grant giving was maintained throughout the profound negative effect of coronavirus in 2020, funding the Malawi construction team of 139 long-term employees and hundreds of temporary workers who continued primary school construction.

Donations

In 2020, Mobell Communications Limited donated a total of £1,147,089 (2019: £1,859,135) which was 85% of all donations and 63% of all income.

A further £205,999 donations were received from individuals, of which £1,625 were restricted donations sponsoring children in Mother Teresa Children's Centre under the "Give a Child a Chance" scheme.

Trading Income

Trading income was down 22% on last year, at £362,885, largely because of a shortage of bikes in the UK; in 2020, second-hand bike sales reached £70,940 (2019: £265,108). In contrast, Elephant Bike sales were also up 52% on the previous year, at £189,752 (2019: £124,177) Other income amounted to £69,650 from property (2019: £60,700) and £39,724 from the government's furlough job retention scheme.

Expenditure

In spite of lower income in the year, £2,675,602 was spent in 2020 (2019: £2,061,319), an increase of £614,283 (30%) over the previous year. Of this, the charitable expenditure was £2,175,957 (2019: £1,656,596), an increase of £519,361 (31%) over 2019. Thus the cost of running the charity, (salaries, overheads, fixing Elephant Bikes and charitable trading) was £499,645 or 19% of total expenditure.The cost of raising funds increased over the previous year, mostly through the increased direct costs of fixing Elephant Bikes and more online advertising.

The majority of charity expenditure was spent in Malawi with grants made to Beehive Centre for Social Enterprise in Malawi totalling £1,351,613 in the year (2019: £706,612). In the absence of any government furlough scheme in Malawi, this allowed for some exceptional budgetary support of employees in Beehive Centre for Social Enterprise as well as the construction of St Kizito Primary School and Carlo Acutis High School and asset investment.

A further grant of £191,667 was made to Seibo Japan, for the daily feeding of nearly 15,000 children in Malawi.

The Catholic Archdiocese of Maiduguri received £4,718 for the agricultural extension work and the Catholic church in Kitui, Kenya received £10,294 towards the growth of stations of the shrine there.

Reserves Policy

With the impact of coronavirus on donor businesses and growing level of internal charitable trading, a reserves policy will be determined which follows the Charities Commission guidance and is less dependent on the underwriting of the Radmore group of companies.

Risk Management

The trustees review risks on an ongoing basis and satisfy themselves that adequate systems and procedures are in place to manage the risks identified.

A legal challenge continues relating to one of the seven plots of land bought by Krizevac Project (Malawi) where it is hoped that there will eventually be a tertiary education and technological campus.

Beehive's financial systems are still in need of support and would otherwise present significant risk. Krizevac Project continued to strengthen the financial systems and staff with expert external accounting help. Particular support was needed with the Malawi Revenue Authority to maximise non-profit status.

The broadening of the income portfolio continues successfully through Cycle of Good trading, reducing risks owing to the charity's heavy dependence on the two businesses of Mobell Communication and Paragon. The distinctive way the Krizevac Project has been funded through business and trading endures.

Plans for future periods

2021 is planned to be a recovery year in the UK with a much smaller team continuing to grow the Cycle of Good trading income.

- In Malawi, success in logistics rentals will be built on with more asset investment
- Construction of a new tertiary education campus to begin
- Preparation to launch two new schools through recruitment of teachers

Structure, governance and management

Organisation

Krizevac Project is a charitable trust, governed by its trustees who are appointed or reappointed by unanimous agreement among existing trustees. The charity is immensely grateful to David Haworth for his work on our Nigeria agriculture work in the year. Trustees give their time voluntarily and receive no benefits from the charity for their work as trustees. Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing aims and objectives and in planning future activities.

As a small organisation, Krizevac Project trustees are also active in the day-to-day management of the charity and related organisations and some have made several visits this year to all of the charity's activities. Trustees ensure appropriate support for the charity's IT, HR, financial reporting and management from Radmore Management Limited (owned by the trustees) which employs Vincent Owen who was seconded part time as Krizevac Project Managing Director to oversee the charity.

The trustees who served during the year and up to the date of signature of the financial statements were:
A J Smith
Miss J M Smith
V K Owen
D Haworth

J. M. Smith	Reappointed until October 2024
D. Haworth	Reappointed until October 2025
A.J Smith	Chair of Trustees until June 2021
V.K. Owen	Trustee until September 2022

The property title for the Longton factory is held in the names of A.J. Smith, J.M. Smith and V.K. Owen; no disclosure exemptions have been claimed and the trustees are not acting as custodians.

Related Organisations

Beehive Centre for Social Enterprise (Beehive) has been the charity's major beneficiary and this is constituted as a non-profit company, registered by guarantee in Malawi, with objectives common to Krizevac Project. The Krizevac Project Chairman is also chairman of the board of 9 directors of Beehive, three of whom are also employees of Krizevac Project.

Krizevac Project (Malawi), is also registered as a nonprofit company in Malawi, limited by guarantee, with the same objectives. This is an autonomous entity, not a subsidiary, which owns property in Malawi, has no employees or contracts for services, and has been used to disburse charity funds and to maximise benefit of Krizevac Project donations through short term, in country investments. Two of the Krizevac Project (Malawi) trustees are also Trustees of Krizevac Project (UK) and a further two are Malawian nationals.

This year Krizevac Project further supported the growth of a Non-Profit Organisation in Japan, Seibo Maria, to feed hungry children, beginning in Malawi. The creation of a further organisation under the same name, was also supported in Malawi.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales 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 Charity and of the incoming resources and application of resources of the Charity for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;

- observe the methods and principles in the Charities SORP;

- make judgements and estimates that are reasonable and prudent;

- state whether applicable 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 charity will continue in operation.

The trustees are responsible for keeping sufficient 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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

The auditor, Price Pearson, is deemed to be reappointed.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees.

.....

A J Smith

Trustee

Dated: 24/10/21

KRIZEVAC PROJECT

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF KRIZEVAC PROJECT

Opinion

We have audited the financial statements of Krizevac Project (the 'Charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, 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 2020 and of its incoming resources and application of resources, 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 Charities Act 2011.

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's 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 annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF KRIZEVAC PROJECT

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 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 directors 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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the charity and the environment in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to health and safety and employment (including taxation), and we considered the extent to which non-compliance may have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011.

We evaluated managements incentives and opportunities for fraudulent manipulation of the financial statements and determined that the principal risk included revenue recognition and grant making. Audit procedures performed by the engagement team included:

- Enquiry of management and those charged with governance regarding known or suspected fraud or irregularity and the existence of actual or potential litigation.
- Enquiry of staff in finance and management functions to identify any instances of non-compliance with laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing estimates for bias.
- Examining minutes of meetings of those charged with governance.
- Agreeing financial statement disclosures to underlying supporting documentation.
- Inspecting stock count sheets and attending inventory counts at all locations.
- Testing grants made to third party evidence and documentation.

Because of the inherent limitations of an audit, there is 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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

Your attention is drawn to the fact that the charity has prepared financial statements 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)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF KRIZEVAC PROJECT

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Pam Pearson

Christopher Cooper FCA FCCA (Senior Statutory Auditor)
for and on behalf of Price Pearson

25/10/2021

Chartered Accountants
Statutory Auditor

Finch House
28-30 Wolverhampton Street
Dudley
West Midlands
DY1 1DB

Price Pearson is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

KRIZEVAC PROJECT

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £	Total 2019 £
Income and endowments from:					
Donations and legacies	3	1,353,088	1,625	1,354,713	1,880,941
Other trading activities	4	362,885	-	362,885	464,414
Other income	5	109,374	-	109,374	60,700
Total income		1,825,347	1,625	1,826,972	2,406,055
Expenditure on:					
Raising funds	6	152,555	-	152,555	104,590
Charitable activities	7	2,175,957	554	2,176,511	1,656,596
Support & governance	9	347,090	-	347,090	300,133
Total resources expended		2,675,602	554	2,676,156	2,061,319
Net (expenditure)/income for the year/ Net movement in funds		(850,255)	1,071	(849,184)	344,736
Fund balances at 1 January 2020		1,995,720	3,398	1,999,118	1,654,382
Fund balances at 31 December 2020		1,145,465	4,469	1,149,934	1,999,118

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

All income and expenditure derive from continuing activities.

KRIZEVAC PROJECT

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	12		422,270		489,664
Investment properties	13		423,750		423,750
			846,020		913,414
Current assets					
Stocks	14	102,179		-	
Debtors	16	34,962		67,870	
Cash at bank and in hand		263,986		1,071,102	
		401,127		1,138,972	
Creditors: amounts falling due within one year	17	(97,213)		(53,268)	
Net current assets			303,914		1,085,704
Total assets less current liabilities			1,149,934		1,999,118
Income funds					
Restricted funds	18		4,469		3,398
Unrestricted funds			1,145,465		1,995,720
			1,149,934		1,999,118

The accounts were approved by the Trustees on 24/10/2021

A J Smith
Trustee

KRIZEVAC PROJECT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	1		(806,318)		366,628
Investing activities					
Purchase of tangible fixed assets		(798)		(39,237)	
Purchase of investment property		-		(130,000)	
Net cash used in investing activities			(798)		(169,237)
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(807,116)		197,391
Cash and cash equivalents at beginning of year			1,071,102		873,711
Cash and cash equivalents at end of year			263,986		1,071,102

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1	**Cash generated from operations**	**2020**	**2019**
		£	**£**
	(Deficit)/surpus for the year	(849,184)	344,736
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	68,192	63,319
	Movements in working capital:		
	(Increase) in stocks	(102,179)	-
	Decrease/(increase) in debtors	32,908	(28,465)
	Increase/(decrease) in creditors	43,945	(12,962)
	Cash (absorbed by)/generated from operations	(806,318)	366,628

2 Accounting policies

Charity information

Krizevac Project is constituted as an unincorporated charitable trust under a Declaration of Trust dated 25 June 2006.

2.1 Accounting convention

The accounts have been prepared in accordance with the Charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

2 Accounting policies **(Continued)**

2.4 Incoming resources

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income from trading activities is recognised when the significant risks and rewards of ownership are transferred to the buyer.

Other income is accounted for on a receivable basis.

2.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Charitable activities include grants made in accordance with the terms of the trust deed.

Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to statutory audit and legal fees.

2.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings improvements	25% p.a. straight line basis
Fixtures, fittings & equipment	25% p.a. straight line basis
Motor vehicles	25% p.a. straight line basis

Freehold land is not depreciated.

Freehold buildings have a residual value at least equal to the value in the accounts and are therefore not depreciated. This is reviewed on an annual basis to ensure no impairment is required.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

2 Accounting policies **(Continued)**

2.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

2.8 Impairment of fixed assets

At each reporting end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

2.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.11 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

2 Accounting policies **(Continued)**

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

2.12 Taxation

The charity is exempt from tax on its charitable activities.

2.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Accounting policies **(Continued)**

2.15 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in net income/(expenditure for the period.

2.16 Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2020	2020	2020	2019
	£	£	£	£
Donations and gifts	1,353,088	1,625	1,354,713	1,880,941
For the year ended 31 December 2019	1,879,654	1,287		1,880,941

4 Other trading activities

	2020	2019
	£	£
Covid appeal income	8,698	-
Revenue from sales	70,940	265,108
Elephant bike sales	189,752	124,177
Cycle of goods sales	93,495	75,129
	362,885	464,414

All income from trading activities relates to unrestricted funds.

5 Other income

	2020 £	2019 £
Other income	69,650	60,700
Coronavirus Job Retention Scheme Income	39,724	-
	109,374	60,700

All other income relates to unrestricted funds.

6 Raising funds

	2020	2019
	£	£
Fundraising and publicity		
Advertising	7,986	21,603
Trading costs		
Elephant bike costs	53,017	47,976
Cycle of goods costs	60,557	18,549
Postage	30,995	16,462
	152,555	104,590

All expenditure in respect of raising funds relates to unrestricted funds for both 2020 and 2019.

7 Charitable activities

	Malawi	Rwanda	Seibo	Nigeria	Kenya	Total 2020	Total 2019
	2020	2020	2020	2020	2020		
	£	£	£	£	£	£	£
Staff costs	151,475	-	-	-	-	151,475	117,267
Charitable expenditure	404,506	-	-	-	-	404,506	436,876
Shipping - exports	32,257	-	-	-	-	32,257	115,718
Transport costs (collections)	6	-	-	-	-	6	72
Rent	-	-	-	-	-	-	7,236
Volunteer expenses	21,277	-	-	-	-	21,277	11,010
Covid appeal payments	8,698	-	-	-	-	8,698	-
	618,219	-	-	-	-	618,219	688,179
Grant funding of activities (see note 8)	1,351,613	-	191,667	4,718	10,294	1,558,292	968,417
	1,969,832	-	191,667	4,718	10,294	2,176,511	1,656,596
Analysis by fund							
Unrestricted funds	1,969,278	-	191,667	4,718	10,294	2,175,957	1,656,596
Restricted funds	554	-	-	-	-	554	-
	1,969,832	-	191,667	4,718	10,294	2,176,511	1,656,596
For the year ended 31 December 2019							
Unrestricted funds	1,394,791	897	247,607	13,301	-		1,656,596

8 Grants payable

	Malawi	Seibo	Nigeria	Kenya	Total 2020	2019
	2020	2020	2020	2020		
	£	£	£	£	£	£
Grants to institutions (15 grants):						
Construction and provision of services	1,351,613	-	-	-	1,351,613	706,612
School meals	-	191,667	-	-	191,667	247,607
Stations of the cross	-	-	4,718	10,294	15,012	12,539
	1,351,613	191,667	4,718	10,294	1,558,292	966,758
Grants to individuals (0 grants)	-	-	-	-	-	1,659
	1,351,613	191,667	4,718	10,294	1,558,292	968,417

-

9 Support costs

	Support costs	Governance costs	2020	2019	Basis of allocation
	£	£	£	£	
Staff costs	215,993	-	215,993	159,629	Staff time
Depreciation	68,192	-	68,192	63,319	Actual
Exchange gains	(3,351)	-	(3,351)	2,121	Actual
Business rates	4,601	-	4,601	6,093	Actual
General insurance	6,195	-	6,195	5,072	Actual
Utilities	9,094	-	9,094	21,631	Actual
Motor running costs	3,992	-	3,992	5,104	Actual
Telecommunications	4,408	-	4,408	139	Estimated
Printing, postage & stationery	6,326	-	6,326	4,315	Actual
Sundry expenses	10,919	-	10,919	5,524	Actual
Repairs & maintenance	5,198	-	5,198	7,667	Actual
Legal & professional fees	7,137	-	7,137	5,614	Actual
Recruitment	480	-	480	2,836	Actual
Travel expenses	3,513	-	3,513	5,567	Actual
Bank charges	593	-	593	702	Actual
Audit fees	-	3,800	3,800	4,800	Governance
	343,290	3,800	347,090	300,133	

All expenditure in respect of support costs relate to unrestricted funds for both 2020 and 2019.

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration during the period, nor were reimbursed any travelling expenses however in 2019 2 trustees were reimbursed a total of £1,966 for travelling expenses.

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
Administration	17	14
Drivers	1	2
	18	16

Employment costs	2020 £	2019 £
Wages and salaries	335,021	260,666
Social security costs	25,598	11,172
Other pension costs	6,849	5,058
	367,468	276,896

There were no employees whose annual remuneration was £60,000 or more.

12 Tangible fixed assets

	Land and buildings improvements	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2020	580,575	31,545	12,720	624,840
Additions	-	798	-	798
At 31 December 2020	580,575	32,343	12,720	625,638
Depreciation and impairment				
At 1 January 2020	108,507	13,949	12,720	135,176
Depreciation charged in the year	62,233	5,959	-	68,192
At 31 December 2020	170,740	19,908	12,720	203,368
Carrying amount				
At 31 December 2020	409,835	12,435	-	422,270
At 31 December 2019	472,068	17,596	-	489,664

13 Investment property

	2020
	£
Fair value	
At 1 January 2020 and 31 December 2020	423,750

The investment properties were valued at 31 December 2020 by the directors at £423,750.

The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

14 Stocks

	2020	2019
	£	£
Finished goods and goods for resale	102,179	-

15 Financial instruments

	2020	2019
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	28,266	72,941
Carrying amount of financial liabilities		
Measured at amortised cost	84,696	47,969

16 Debtors

Amounts falling due within one year:	2020 £	2019 £
Trade debtors	24,100	28,741
Other debtors	4,166	35,799
Prepayments and accrued income	6,696	3,330
	34,962	67,870

17 Creditors: amounts falling due within one year

	2020 £	2019 £
Other taxation and social security	12,517	5,299
Trade creditors	8,350	36,923
Amounts owed to Krizevac Malawi	65,746	-
Other creditors	2,753	5,046
Accruals and deferred income	7,847	6,000
	97,213	53,268

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 January 2020 £	Movement in funds: Incoming resources £	Resources expended £	Balance at 31 December 2020 £
Unrestricted funds:	1,995,720	1,825,347	(2,675,602)	1,145,465
Restricted funds:				
Give a Child a Chance Campaign	3,218	1,625	(554)	4,289
Seibo Maze	180	-	-	180
	1,999,118	1,826,972	(2,676,156)	1,149,934

Give a Child a Chance Campaign
Sponsorship of children's places in Mother Teresa Children's Centre for orphans and vulnerable children.

Seibo Maze
Sponsorship of Seibo Japan which has the aim of providing every child in the world a hot meal at school in order for them to focus on learning.

19 Analysis of net assets between funds

	Unrestricted	Restricted	Total
	£	£	£
Fund balances at 31 December 2020 are represented by:			
Tangible assets	422,270	-	422,270
Investment properties	423,750	-	423,750
Current assets	299,445	4,469	303,914
	1,145,465	4,469	1,149,934

20 Operating lease commitments

The operating leases represent a lease to a third party. The lease is negotiated over a term of 6 years and rentals are fixed until the 1 January 2020 and renewed every second anniversary of that date. A Tenants Break clause is included as at the 1 January 2021. The tenant must give at least 6 months notice before the break date.

At the reporting end date the Charity had contracted with tenants for the following minimum lease payments:

	2020 £	2019 £
Within one year	67,269	59,950
Between two and five years	119,300	179,850
	186,569	239,800

21 Related party transactions

A J Smith and Miss J M Smith control Radmore Management Limited, which in turn controls Mobell Communications Limited and Paragon Projection Limited. During the year, the charity received donations of £1,147,089 (2019: £1,859,135) from Mobell Communications Limited and £Nil (2019: £Nil) from Paragon Projection Limited.

A J Smith is a director and owns 50% of the share capital in British Desiccant Drying Limited. During the year, the charity received donations of £500 (2019 : £15,000) from British Desiccant Drying Limited.

The charity paid out grants in 2020 to Beehive Centre For Social Enterprise of £1,351,613 (2019 : £706,612) ; A J Smith and V K Owen are directors of the non-profit Association, Beehive Centre for Social Enterprise.

Also during the year the charity paid grants to the Japanese-registered non-profit organisation, Seibo of £191,667 (2019 : £247,607), A J Smith and V K Owen are trustees of Seibo.

During the year, the charity sold a number of products to a relative of A J Smith and V K Owen company " The Saltworks Trading Company Limited" for a total of £17,980 (2019 : £189,950).

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	41,776	40,105