



INTERNATIONAL

Building Brighter Futures

Registered Charity No. 1115989 (England & Wales)



**BUILD IT INTERNATIONAL**

**TRUSTEE'S REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
(COMPANY LIMITED BY GUARANTEE)**

**YEAR ENDED 31 DECEMBER 2022**

**REGISTERED COMPANY NO. 05495358 (ENGLAND AND WALES)**

[www.builditinternational.org](http://www.builditinternational.org)

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**LEGAL AND ADMINISTRATIVE INFORMATION**

<b>Company number</b>	05495358
<b>Charity number</b>	1115989
<b>Governing document</b>	Memorandum and Articles of Association
<b>Trustees</b>	Ronnie Fleming - Chair Florence Bearman - Deputy Chair Graham Wickenden - Treasurer Chris James Sharon Jackson until 9 <sup>th</sup> March 2022 Lucie Kasanga Neil MacDougall from 9 <sup>th</sup> March 2022 Nasir Ali from 1 <sup>st</sup> March 2023 Toyosi Odiakosa from 15 <sup>th</sup> September 2023
<b>Secretary</b>	Andrew Jowett OBE until 1 <sup>st</sup> January 2022 Judith Fox from 1 <sup>st</sup> January 2022 until 22 <sup>nd</sup> September 2023 Alison McKittrick from 25 <sup>th</sup> September 2023
<b>Chief Executive</b>	Andrew Jowett OBE until 4 <sup>th</sup> September 2023 Tum Kazunga from 4 <sup>th</sup> September 2023
<b>Registered office</b>	Windsor House Windsor Place Shrewsbury Shropshire SY1 2BY
<b>Auditors</b>	Dyke Yaxley Ltd 1 Brassey Road Old Potts Way Shrewsbury Shropshire SY3 7FA
<b>Bankers</b>	Barclays Bank plc. Business Banking P.O. Box 89 Shrewsbury Shropshire SY1 2WQ
<b>Website</b>	<a href="http://www.builditinternational.org">www.builditinternational.org</a>



## **INTRODUCTION & HIGHLIGHTS**

We are pleased to present our annual report outlining developments at Build It International in 2022.

The COVID19 pandemic abated significantly in 2022. This allowed us to work uninterrupted throughout the year in contrast to 2020 and 2021. However, there is no doubt that the pandemic and UK economic challenges have made fundraising harder. A dramatic increase in the value of the Zambian Kwacha in 2022 also impacted our spend budget as costs increased in sterling terms. Currency volatility continues to be a major challenge.

As ever, we pay tribute to our dedicated staff in Lusaka and Shrewsbury who remained focused on delivering a quality programme of training and community building. Overall, we completed 75% of planned activities.

### **Highlights:**

- 204 Trainees enrolled on our Training into Work courses: 25% women.
- Total trained to date is 1,644 at 31 December.
- 95% of our trainees completed a course.
- Completion of the student toilet block at the Centre for Excellence.
- Completion of Zambezi Sawmills School, Livingstone.
- Completion of re-ordering and renovation of Libuyu Clinic, Livingstone.
- Full year of delivery of a literacy support programme at six schools with The Book Bus.

We estimate that a further 29,156 people will benefit from our work carried out in 2022. This brings the total number of direct and indirect beneficiaries since Build It International was launched in 2006 to approximately 391,000.

We secured £1M income over the year, including our best Big Give Campaign. However, the Board took the decision to release five members of staff and change the way we deliver community building projects in the light of the dramatic increase in costs.

After 16 years in post, our founding CEO Andrew Jowett stepped down in September. Andrew's leadership, drive and passion shaped Build It International into the effective, transformational organisation that it is today.

In 2019, Andrew's dedication and hard work was recognised by our country with the award of an OBE that was well deserved. Andrew will continue to support and encourage our fundraising work and we will be seeing him at our supporter events. On behalf of all the trustees Andrew, thank you.

We were delighted to appoint Tum Kazunga as CEO from September 2023. Tum is a UK-Zambia national who joins us after five years as CEO of Habitat for Humanity Great Britain. He brings valuable experience in institutional funding, corporate partnerships and the construction sector.

## **CHARITABLE OPERATIONS**

Build It International was established in 2006 with the aim of supporting the small-scale building sector as a way of creating sustainable employment opportunities and economic growth in low-income countries, mainly in Africa. Our vision remains: *An Africa in which everyone has the opportunity to work and thrive.*

### **The Charity's legal objects are:**

- a. The relief of poverty and the improvement of the conditions of life particularly in socially and economically disadvantaged and flood-prone communities.
- b. The promotion of sustainable means of achieving economic growth and regeneration.
- c. The enhancement of education, primarily in building construction, in deprived and flood-prone communities.



The preservation, conservation and protection of the environment and the use of natural resources.

**Mission Statement:** *to create opportunities for young people and their communities through skills training, work experience and essential community building projects.*

Our core values are Empowerment, Excellence, Collaboration and Courage.

Our primary activity is entry-level construction skills training for men and women under 35 years old living in poverty in Zambia. This is called *Training into Work* and is delivered through three pathways: our Centre for Excellence in Lusaka, on-the-job training at our community building projects and lastly, with partner organisations. Our livelihoods-based approach also includes post-training career development support, especially for women.

### **Public Benefit**

Our programme directly benefits low-income communities and families through skills training and the provision of essential community buildings: schools, health clinics, teachers' houses and clean water/sanitation facilities. Our approach benefits the public by:

- a. **Supporting local livelihoods;** *skills training is important because it reduces poverty by giving people (our trainees) the potential to earn a better living, enjoy greater economic resilience and provide practical skills for the community. This is borne out by our impact studies.*
- b. **Promoting sustainable building materials, design and construction;** *this is important because it promotes a sustainable use of raw materials and simple, robust design to improve the quality and durability of community facilities.*
- c. **Participation of local communities;** *we do this to promote local ownership of projects.*

In defining our charitable programme, we have regard for the Charity Commission's general guidance on public benefit and relief of poverty for public benefit.

### **REVIEW OF ACTIVITIES AND PERFORMANCE AGAINST STRATEGIC OBJECTIVES**

Our overall aim is to be the leading entry-level vocational training organisation in Zambia. In 2020, we extended our current strategy to 2023 in response to the disruption of the pandemic. The main objectives and performance are presented below.

#### **COVID19 Response**

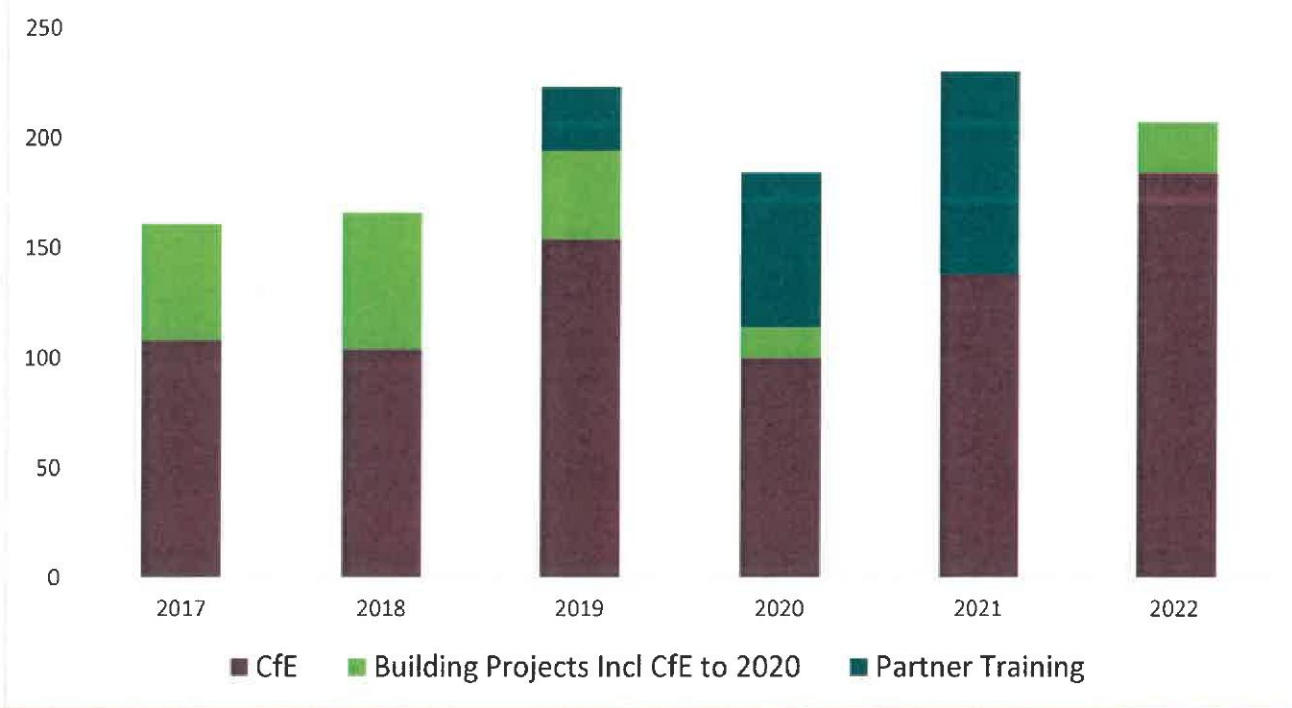
Whilst the direct impact of the pandemic abated, we remained alert to the need to ensure the safety of our staff and trainees. Build It International continued to follow Government guidelines in the UK and Zambia where applicable and apply enhanced internal COVID19 protocols covering operations and travel. There are no current restrictions in place.

#### **Strategic Objective 1: Support at least 2,000 men and women through our *Training into Work* programme**

Some 204 trainees enrolled on our programme against a target of 280. The deficit was due to the early completion of the Katombora initiative and increased costs forcing us to postpone one cohort at the training centre and another linked to the construction of a new learning plaza (also postponed). Of these, 196 completed training (95% against a target of 90%). We are delighted that training resumed at community projects following a break due to COVID19. Overall learner pass rate was >90 % for all courses with an average of 95%.

This brings the number of graduates enrolled since 2017 to 1,068 or 59% of our strategic target and a total of 1,647 since the Training into Work programme commenced.

## Trainees by Pathway 2017 - 2022



We delivered 12,105 training days during the year compared with 14,112 in 2021. Eight of the nine cohorts were at our Centre for Excellence, operating at 67% of full capacity, with two courses Brick & Block laying and Rough Carpentry. Of these, 56% had completed their work placement by the end of the year with many more lined up to work for local employers early in 2023. The ninth cohort was at Zambezi Sawmills school with a course in Basic Building Skills.

In 2022, some 25% of trainees were women which is a remarkable figure given that sector averages across the world are much lower. As usual, they performed very well. Increasing the number of female trainees towards 50% is a key objective going forwards for which we recognise the need to broaden our training offer.

In 2022, we responded to requests from 42 affiliate contractors for 243 positions (292 in 2021) of which 167 were successfully fulfilled by or linked to graduates (118 in 2021). Short notice, availability and communicating with graduates were the main constraints preventing a higher fulfilment. We recognise that helping our affiliate contractor partners meet their labour demands is a key opportunity for graduates to achieve lasting economic independence, and plans are being developed in 2023 to increase the numbers of request we can respond to.

Our programme continues to be endorsed by NOCN, the UK based international awards body, which provides an independent quality assurance service and inspects our programme annually.

Following consultation with employers who take placement trainees, a substantial review of the following courses was undertaken:

- Brick and Block Laying – this now has an expanded curriculum, and from 2023 is known as Construction Multi-skills.
- Rough Carpentry - addition of an optional two-week, steel-fixing module
- Tiling – Core content reduced, and paving added. Renamed Tiling and Modular Paving from 2023.



At present our stand-alone decorating course and plastering courses are retired.

The construction sector in Zambia stabilised in 2022 but remains subdued.

The cost of training per person, including all overheads, averaged, £1,351 (2021: £1,079). Costs vary by course and location. In 2022, 67% of delivered courses were in Brick and Block laying, compared to 40% in 2021. This training is more expensive to deliver, resulting in the higher cost of training per person.

**Strategic Objective 2: Deliver community building projects to improve access to education and health services for 150,000 people**

In 2022, we completed our major project at Libuyu Health Clinic, situated in a high-density compound in Livingstone. Following the construction of a new Maternal Child Health unit including a labour ward, we completed a major re-ordering and refurbishment of the dilapidated clinic in February. This provides out-patient and in-patient services and a laboratory. The works include new roof, wiring, plumbing and tiling. Several walls were reconstructed to expand spaces and install high level windows to improve light and ventilation. This has created a huge improvement in the facility for patients and staff including a more coherent patient journey throughout the building. The total project cost was £465,943.

Our 55<sup>th</sup> building project is at Zambezi Sawmills Community School in Livingstone where we completed a new four-classroom block including a computer room at this well-organised school serving the local compound. Build It International's standard design was used. A six-cubicle toilet block with urinal was also built. This features an easy access cubicle for pupils with physical disabilities that can also be used as a washing space for girls. It was a real pleasure to resume training on these projects after a two-year break.

<b>Project</b> We assume projects provide benefit over 25-30 years.	<b>Estimated new Direct &amp; Indirect Life-Time Beneficiaries</b>	<b>Estimated Cost per Beneficiary</b>
<b>Libuyu Health Centre</b> Phase 1 - Completion of Libuyu Clinic Maternity Annex  Phase 2 - Major re-ordering and refurbishment of existing clinic	10,000	£46 per beneficiary (£15 in 2021)
<b>Zambezi Sawmills School, Livingstone</b> – Four classroom block and pupil toilet block (also trained 25 local builders)	18,070	£6 per lifetime beneficiary
<b>Centre for Excellence</b> Completion of student toilets (50%) Completion of office building (25%) Design of Learning Plaza 5 Site works; boundary wall, paths and landscaping	n/a	n/a

Our intention to support communities for up to two years post-building was compromised by the pandemic. However, in 2022 work resumed and we were able to complete a one-year literacy initiative targeting six schools through our partner, The Book Bus. Our partnership continued with ReScope, an environmental education charity. This involves working with the pupils and staff to create gardens around school buildings that showcase local species with nutritional and other benefits.





**Zambezi Saw Mills School**



**Libuyu Health Clinic**

2022 was a year of modest investment at our Centre for Excellence training facility near Lusaka compared with previous years. We completed our office, bringing the whole team together on one site. We also completed the student toilet block and the design of an indoor Learning Plaza, with valuable support from Buro Happold engineering. The centre now has capacity to deliver approximately 18,000 training days per year.

**Strategic Objective 3: Share our experience to support provision and uptake of improved skills training**

In early 2022, we developed an initial advocacy strategy focused on three areas: working with employers, working with other training organisations and liaising with Government. Our overall aim is to make the case for skills training, encourage increased support and contribute to improving access and quality provision. A key cross-cutting theme is promoting Women in Construction.

In terms of activities, we continued to work with over 20 employers on these issues and facilitated their input to our training curriculum. We also recognised commitment to our placement programme and good practice in employing women. A productive workshop with contractors was held in June and will be repeated.

Going forwards, we have agreed initial financial support from Irish Aid to work on these themes and have co-created a longer-term programme during 2023 including sector-wide events.

**Impact Monitoring and Evaluation**

During the year, 204 Trainees enrolled on our Training into Work courses, of which 25% were women. Combining the impact of our Training into Work and Community Building programmes, 29,156 people benefited from our work in 2022. This increases the number of people we have supported to 137,750, since 2017, towards a target of 150,000 people supported by the end of 2023.

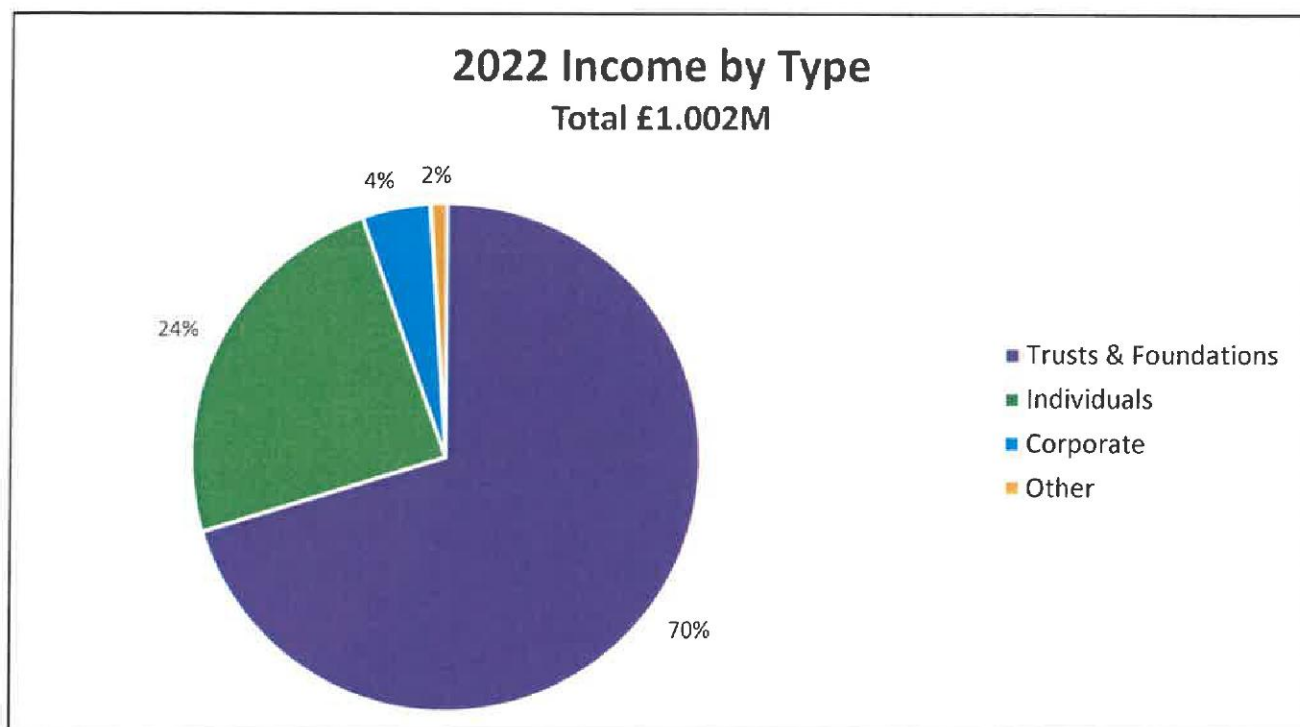
The estimated total number of people served since we began is 391,000. This includes around 124,000 individuals directly accessing health and education services. The balance is other family members of pupils at schools we have built. Direct health project beneficiaries comprise around 25% total.

Pending a planned review of our Monitoring, Evaluation and Learning framework (MEAL), we will henceforth commission independent impact studies every two years. Summary data from 2021 remains available on our website and the next survey will be completed by December in 2023 with the report available in early 2024.

In the intervening years we will focus on a key learning exercise and for 2022, this was the production of our first Theory of Change statement. Led by David Musendo at Lifetime Consulting, a three-day workshop was conducted with the team in Zambia, Board members and graduates of our training programme.

## RAISING FUNDS

We secured £1.002M income in 2022 (2021 = £1.24M). It should be noted that the 2021 figure includes a grant from Irish Aid for training activities in both 2021 and 2022 (£133,715). Excluding this item, income in 2022 was level with 2021. Given the context of COVID19 and concerns for a recession in the UK, we consider this a respectable achievement.



We were awarded 25 grants from Trusts and Foundations in 2022 year totalling £699,000 and this remains our largest income stream managed by Christine Cartland. A further £224,000 was donated by our generous individual supporters. For every £1 spent on raising funds we received £4.30 in income (2021 = £5.69).

In October 2022, we hosted our first in-person supporter reception since 2019 with around 80 gathering at the Zambia High Commission in London and over £15,000 received from new donors. Our events programme included a clay pigeon shooting day at Bisley and a golf day at Hankley Common. Other highlights from 2022 include our best Big Give Campaign raising £68,000, a fundraising evening organised by our Young Professionals Board, and we resumed donor visits to Zambia.

Fundraising and communications are managed by a dedicated team of professional staff based out of our Shrewsbury office. During the year we said a heartfelt thank-you to Susan Barlow after five years with us whilst extending a warm welcome to Lisa Carson, appointed Head of Fundraising & Communications in August. Congratulations to Christine Cartland who was promoted to Head of Strategic Partnerships as we look to increase support from institutional donors. We also express our sincere thanks to Marianne Brown for her hard work and dedication during her time with us. An early success of note in 2023 is our first ever financial support from the Government of Zambia through TEVETA (within the Ministry of Education). Since the year end, we have secured an additional grant of £200,000 from The Oak Foundation.

We will introduce new fundraising events and campaigns in 2023, including a planned *Women in Construction* panel discussion to be held in London with representatives from the UK construction sector.

Please check our [website](#) regularly for the latest news on our events and fundraising campaigns.



Build It International is registered with the Fundraising Regulator that sets and maintains standards for charitable fundraising as detailed in the [Code of Fundraising Practice](#) to ensure that we are respectful, open, honest and accountable to the public. The charity actively monitors fundraising activity undertaken on our behalf as far as resources allow. The Trustees are satisfied that throughout 2022 the charity complied with the Code and received no complaints (2021: none).

Build It International's fundraising is based on developing quality relationships with our supporters without the need for intrusion or undue pressure, and to ensure the protection of any vulnerable supporters. We do not use fundraising agencies or engage in face-to-face fundraising or cold calling. We never sell or share information to other organisations to use for their own purposes. We will only allow supporters' information to be used by suppliers working on our behalf or where we are required to do so by law. We have continued to take professional advice to review and update policies and procedures to ensure compliance with the General Data Protection Regulations (GDPR).

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

Build It International was formed as a company limited by guarantee in 2005 and became a registered UK charity in September 2006 with a memorandum and articles of association, dated August 2006, as its governing document.

The Directors of the Board (Trustees) are appointed to ensure that Build It International enjoys the skills and experience necessary to guide the charity's work. The Board is responsible for the overall direction of the charity, policies and legal compliance while key decision making is delegated to the CEO, Finance Director and Country Director. Trustee indemnity insurance is included in our insurance policies.

Build It International is registered in Zambia as BII Zambia Limited which is a Company limited by Guarantee. A Memorandum of Understanding guides the relationship between the UK and Zambia Boards, and this was reviewed and renewed in March 2023. As part of our efforts to ensure our work is locally led, the two Boards have met together as one governance body since December 2022.

Our Finance and Audit Committee meets ahead of every board meeting and on an *ad hoc* basis as required.

A Nomination and Remuneration Committee considers Chief Executive and senior staff remuneration and appointments. Other salaries are set by the Chief Executive in consultation with the Finance and Audit Committee as part of the annual budgeting process.

We continue to enjoy the input of a wide range of advisors and volunteers on an individual basis and their input is highly appreciated, not least from our active Development Board.

Build It International employs 30 staff (including 4 part-time) and maintains a small support office in Shrewsbury and a main programme delivery office in Lusaka at our training centre. Our office in Lusaka employs 17 staff (all Zambian) who manage programme delivery.

#### **Governance**

Trustees are recruited openly. Role descriptions are agreed, and the positions advertised through trustee recruitment channels. New trustees go through a comprehensive induction process that includes a full set of key documents (policies, strategy papers and board minutes) and time with senior staff.

Four board meetings were held in 2022 as well as a strategy away day.

The new Memorandum of Understanding provides the framework for the two legal bodies to function as one organisation whilst ensuring compliance with our registration in the UK and Zambia. As such, joint Board



meetings are held, both Boards are represented on all committees and results are consolidated into those of Build It International.

The Board signed up to the principles of the Charity Governance Code in December 2017 and adopted the version for large charities. The results of a Board survey in 2021 showed that Build It International met or exceeded the vast majority of objectives within the code. Since then, no significant further action has taken place.

Through 2022, Build It International continued to employ Affinity Resolutions to advise on compliance with UK GDPR and to act as the charity's Data Protection officer. Policies and procedures are constantly reviewed, and regular training held for staff and trustees.

All staff and trustees sign up annually to a Code of Conduct.

### **Environmental, Social and Governance**

Position statements have been updated on our website to emphasise how we work and our contribution towards four U.N. Sustainable Development Goals: No poverty, Quality education, Gender equality and Decent work and economic growth. This will strengthen our case for support from corporates.

Key policies updated in 2022 include Equality, Inclusion and Diversity (formally Equal Opportunities). The Board also approved an Anti-Money Laundering policy as well as Home Working and Mobile Devices policies.

### **Safeguarding**

We recognise the importance of ensuring that children, young people and vulnerable adults associated with our work are safeguarded, and that their health, safety and welfare is promoted while in our programme. Our safeguarding procedures were reviewed and substantially updated with effect from September 2021 followed by investment in staff training. A new management statement was approved in Zambia in April 2022 and in UK in September 2022. This replaces the previous Safeguarding policy. There are also a range of procedures and monthly action logs which are monitored by the Senior Management Team.

### **Key Objectives for 2023**

- Recruit and successfully transition to new CEO
- Implement new editions of all courses and train a minimum of 200 (30% women)
- Progress Women into Work programme with first sector-wide events in UK and Zambia
- Complete Training into Work Business Plan
- Complete school project at Mwachisompola and plan maternity unit at Chisamba Health Centre
- Raise £1.19M
- Review our "Locally Led" strategy, that will shift power and resources nearer to the communities we serve

### **REVIEW OF FINANCIAL POSITION**

**Income** – the total for the 12 months to 31<sup>st</sup> December 2022 was £1,008,855 (2021: £1,243,048). The principal sources of funding were from trusts and foundations and individual donors.

**Expenditure** - £1,253,683 for the 12 months to 31 December 2022 (2021: £1,093,984) excluding capital expenditure at the Centre for Excellence;

- Charitable activities expenditure including grant making and excluding capital was 81.42% (2021: 80.0%).
- A further £36,574 of capital expenditure was incurred on land and buildings at the Centre for Excellence, Lusaka (2021: £72,456)

- When capital expenditure on our training centre is included, our charitable expenditure rises to 81.95% (2021: 81.2%) and the expenditure on raising funds drops to 18.05% (2021: 18.7%).
- The cost of raising funds was £232,911 or 23.24% (2021: 19.9%) meaning that for every £1 spent we received £4.30 in income (2021: £5.68).

The value of our unrestricted reserves, excluding fixed assets, was **£584,194** (2021: £572,302).

There was a deficit in the Statement of Financial Activities (SoFA) in 2022 of £244,828 (2021 = £149,064 surplus). SoFA does not include expenditure of a capital nature (Centre for Excellence construction, office equipment and vehicle purchases). This was in £47,013 in 2022 (2021: £115,777).

#### **Group Funds held at 31 December 2022**

- Restricted funds of £526,772 (2021: £779,080) including £414,785 (2021: £385,982) relating to Centre for Excellence fixed assets.
- Unrestricted funds of £617,570 (2021: £615,700) including £33,376 (2020: £43,398) relating to fixed assets.

#### **STATUTORY POLICIES**

A schedule of policies is maintained with policies reviewed on a rolling programme at board meetings.

##### **Risk Management**

The Trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise. The Risk Register is a standing item at every Board meeting whereby significant risks are identified and evaluated, and appropriate actions are agreed. The Risk Register is also reviewed regularly by the Finance & Audit Committee.

At the Board Meeting in December 2022, Trustees considered that the three highest risks that the charity currently faces in achieving its strategic objectives are loss of key staff in Zambia, mainly to higher paid jobs; failure to reach income target and impact of the weak pound on the cost of Zambia activities.

Unrestricted cash forecasts are estimated against different scenarios and are updated as frequently as deemed necessary to ensure we act quickly as circumstances change.

We pay salaries commensurate with our size, benchmark surveys, and available funding. We offer flexible working conditions and a friendly work environment to reduce the risk of losing key staff. We are also making our operations more resilient through on-line systems in areas such as finance and procurement.

Protecting the charity against cyber-attacks continues to be a priority. Staff have regular training, and we continue to assess ourselves against the guidelines for small charities from the National Cyber Security Centre as well as work towards Cyber Essentials accreditation. We continue to resource and report on this risk to each Board Meeting.

##### **Reserves Policy**

Reserves are held to deal with unforeseen operational costs or falls in income below expectations and to provide funding for agreed projects. Build It International therefore aims to maintain readily realisable unrestricted cash reserves sufficient to cover at least three months of budgeted average core expenditure. These reserves should also not exceed an upper limit of four months average budgeted total expenditure.



During 2022, we continued to benefit from donors generously making unrestricted donations. Unrestricted reserves held at the year-end were at £617,570 (including fixed assets). With an uncertain economic outlook and exchange rate volatility, the Board considers it beneficial to hold healthy unrestricted reserves.

As at end August 2023 unrestricted reserves stood at £581,128, in line with expectations.

### **Going concern**

Building on improvements in 2021, the Board maintains strong oversight of the financial position of the organisation. The Finance & Audit Committee meets regularly to review the risk register and the cash position including the income and expenditure levels, and to ensure that long terms decisions informed by a review of upcoming expenditure, expected donation income and upcoming financial requirements of the charity.

Looking forward into 2023, Build It International has implemented a new financial system and continues to improve on existing financial, operating and ICT controls to ensure the ongoing efficient and effective use of resources.

Our fund raising efforts resulted in an increase in unrestricted funds to at £617,570 by the end of 2022. The cash balance at December 31, 2022, was £774,700, slightly down from the 2021 level of £960,808. The operating loss incurred in 2022 reflects the planned utilisation of restricted funds towards the successful completion of projects carried forward from prior years.

As of August 2023, the unrestricted funds balance was £581,128 and restricted funds were £1,148,038, supported by a cash balance of £1,124,770.

The trustees believe that the cash reserves and current income level will provide support to the charity throughout 2024 and make the charity a going concern.

### **Investment Policy**

Cash surplus to short-term needs are held with FCA regulated interest-bearing accounts or other similar low risk investments. At present, the Trustees do not consider that this policy needs to be changed. This position is reviewed annually, and the Trustees are satisfied that the current investment returns on surplus cash is acceptable, bearing in mind the current economic climate and the need for surplus (unrestricted) cash funds to be readily accessible.

### **Grant Making Policy**

Most of our projects are directly managed through our Zambia offices. All project proposals are vetted by the Finance & Audit Committee, and then submitted to Trustees for their approval to ensure that the proposed work is in line with strategy. Where a grant is made to another organisation, appropriate checks are undertaken on the partner, an agreement is signed, and project delivery is monitored through visits, reports and audits. One grant totalling £25,000 was made in 2022 (2021: two grants totalling £26,379).

This report also serves as a Directors' report as required by s417 of the Companies Act 2006.

In preparing the accounts, the Trustees have followed the accounting policies set out in note 1 to the accounts and comply with the requirements of charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 (FRS102)" (effective 1 January 2019).

Regular updates on our work are posted on our website: [www.builditinternational.org](http://www.builditinternational.org)



## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of BII for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period.

In preparing 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

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

In so far as the Trustees are aware:

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **SMALL COMPANY PROVISIONS**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by the Board and signed on its behalf.

Date: 13/12/2023

*Ronald Fleming*

**Ronald Fleming**  
Chair of Trustees

*Graham Wickenden*

**Graham Wickenden**  
Treasurer

**BUILD IT INTERNATIONAL  
INDEPENDENT AUDITOR'S REPORT  
TO THE TRUSTEES OF BUILD IT INTERNATIONAL**

**Opinion**

We have audited the financial statements of Build IT International (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 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 charitable company'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 Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor'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.

**BUILD IT INTERNATIONAL  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE TRUSTEES OF BUILD IT INTERNATIONAL**

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 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
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or 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.

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.



**BUILD IT INTERNATIONAL  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE TRUSTEES OF BUILD IT INTERNATIONAL**

**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 misstatement misstatements in respect of irregularities, including fraud.

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

We gained an understanding of the legal and regulatory framework applicable to the charity and the industry in which it operates, and considered the risk of acts by the charity that were contrary to applicable laws and regulations, including fraud.

We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to a material misstatement in the financial statements, including, but not limited to, the UK tax legislation, Employment Law and Charity Act 2011. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

There are inherent limitations in the audit procedures described above and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

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

As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the trustees that represented a risk of material misstatement due to fraud.

**Use of our report**

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

*Dyke Yaxley Ltd*

**Stacey Lea FCA (Senior Statutory Auditor)  
For and on behalf of Dyke Yaxley Limited**

Date: 14/12/2023

**Chartered Accountants  
Statutory Auditor**

1 Brassey Road  
Old Potts Way  
Shrewsbury  
Shropshire  
SY3 7FA

**BUILD IT INTERNATIONAL GROUP**  
**STATUTORY ACCOUNTS FOR YEAR ENDED 31 DECEMBER 2022**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT**

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Unrestricted funds £ Restated	Restricted funds £ Restated	Total 2021 £ Restated
<b>INCOME FROM:</b>							
Donations and legacies	3	645,007	329,395	974,402	667,228	546,162	1,213,390
Other trading activities	4	23,571	-	23,571	8,550	-	8,550
Investments	5	4,112	-	4,112	3,360	-	3,360
Profit on sale of assets		-	5,456	5,456	9,816	-	9,816
Other income	6	-	1,314	1,314	7,932	-	7,932
<b>Total</b>		<b>672,690</b>	<b>336,165</b>	<b>1,008,855</b>	<b>696,886</b>	<b>546,162</b>	<b>1,243,048</b>
<b>EXPENDITURE ON:</b>							
Raising funds	7	232,364	547	232,911	211,884	6,891	218,775
Charitable activities							
Grant making	8	6,236	25,082	31,318	3,973	26,379	30,352
Other charitable activities - Zambia Program Delivery	8	227,114	762,340	989,454	179,931	664,926	844,857
<b>Total</b>		<b>465,714</b>	<b>787,969</b>	<b>1,253,683</b>	<b>395,788</b>	<b>698,196</b>	<b>1,093,984</b>
<b>NET INCOME/( EXPENDITURE)</b>		<b>206,976</b>	<b>(451,804)</b>	<b>(244,828)</b>	<b>301,098</b>	<b>(152,034)</b>	<b>149,064</b>
Exchange gain or loss		(24)	(5,585)	(5,609)	-	-	-
Transfers between funds	19	(205,081)	205,081	-	(244,686)	244,686	-
<b>NET MOVEMENT IN FUNDS</b>		<b>1,871</b>	<b>(252,308)</b>	<b>(250,437)</b>	<b>56,412</b>	<b>92,652</b>	<b>149,064</b>
<b>RECONCILIATION OF FUNDS:</b>							
<b>Total funds brought forward at 1 January 2022</b>		<b>615,700</b>	<b>779,080</b>	<b>1,394,780</b>	<b>559,288</b>	<b>686,428</b>	<b>1,245,716</b>
<b>Total funds carried forward at 31 December 2022</b>	21	<b>617,571</b>	<b>526,772</b>	<b>1,144,343</b>	<b>615,700</b>	<b>779,080</b>	<b>1,394,780</b>

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



**BUILD IT INTERNATIONAL**  
**STATUTORY ACCOUNTS FOR YEAR ENDED 31 DECEMBER 2022**  
**CONSOLIDATED BALANCE SHEET**

	Notes	Group 31 December 2022 £	BII UK 31 December 2022 £	Group 31 December 2021 £ Restated	BII UK 31 December 2021 £ Restated
<b>FIXED ASSETS</b>					
Tangible assets	15	448,161	705	429,380	1,948
<b>Total fixed assets</b>		<b>448,161</b>	<b>705</b>	<b>429,380</b>	<b>1,948</b>
<b>CURRENT ASSETS</b>					
Debtors	16	54,633	29,288	96,864	37,384
Cash at bank and in hand (including advances)		774,700	695,963	960,808	866,006
<b>Total current assets</b>		<b>829,333</b>	<b>725,251</b>	<b>1,057,672</b>	<b>903,390</b>
<b>CREDITORS: amounts falling due within one year</b>	17	<b>(133,151)</b>	<b>(65,413)</b>	<b>(92,272)</b>	<b>(26,478)</b>
<b>Net current assets</b>		<b>696,182</b>	<b>659,838</b>	<b>965,400</b>	<b>876,912</b>
<b>Net Assets</b>		<b>1,144,343</b>	<b>660,543</b>	<b>1,394,780</b>	<b>878,860</b>
<b>Funds of the Charity</b>					
Unrestricted funds		617,571	617,571	615,700	615,700
Restricted funds	19	526,772	42,972	779,080	263,160
<b>Total funds</b>		<b>1,144,343</b>	<b>660,543</b>	<b>1,394,780</b>	<b>878,860</b>

The net loss of the charitable company before consolidation was £218,317 (2021 loss: £4,355).

Under the Companies Act 2006, s454, on a voluntary basis, the trustees can amend the financial statements if they subsequently prove to be defective.

The financial statements were approved and authorised for issue by the Board of Directors on 13/12/2023

*Ronald Fleming*

Ronald (Ronnie) Fleming  
Chair of Trustees

*Graham Wickenden*

Graham Wickenden  
Treasurer

Company registration no. 5495358  
Charity registration no. 1115989

**BUILD IT INTERNATIONAL**  
**STATUTORY ACCOUNTS FOR YEAR ENDED 31 DECEMBER 2022**  
**CONSOLIDATED STATEMENT OF CASHFLOWS**

	<b>Note</b>	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Operating cash flows</b>			
Operating surplus		(244,828)	149,064
<b>Adjustments for items not affecting cash flows:</b>			
Exchange gains(loss) on fixed assets	15a	(11,273)	
Foreign exchange gains (loss)		(5,610)	
Depreciation on fixed assets	15a	39,602	42,733
(Gain)/Loss on sale of assets		(4,719)	(9,816)
<b>Net operating cash flows before reinvestment in working capital</b>		<b>(226,827)</b>	<b>181,981</b>
(Increase)/Reduction in accounts receivables	16	42,231	(54,930)
Increase/(Reduction) in accounts payables	17	40,879	(44,773)
<b>Adjustments for:</b>			
Investment income recognised in SOFA		(4,112)	(3,360)
<b>Net cash flows from operating activities</b>		<b>(147,829)</b>	<b>78,918</b>
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of Land & Buildings		(36,574)	(72,456)
Purchase of Motor Vehicles		(11,079)	(41,911)
Purchase of Equipment		(194)	(1,410)
Purchase of Land, Buildings & Equipment	15a	(47,847)	(115,777)
Proceeds from sale of assets		5,456	13,255
Investment income received		4,112	3,360
<b>Increase/(Reduction) cash and cash equivalents</b>		<b>(186,108)</b>	<b>(20,244)</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>960,808</b>	<b>981,052</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>774,700</b>	<b>960,808</b>



**BUILD IT INTERNATIONAL**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**1. ACCOUNTING POLICIES**

**Charity information**

Build IT International is a charitable incorporated organisation, registered in England and Wales. The registered office is Windsor House, Windsor Place, Shrewsbury, Shropshire, SY1 2BY. The Charity registration number is 1115989.

**(a) Basis of preparation**

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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 (FRS102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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 £.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Advantage has been taken not to prepare a parent company cash flow statement.

**(b) Going concern**

The Board at the time of signing these Accounts have considered that for at least the next twelve months the charity is a going concern.

**(c) Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There are no judgements made that have a significant effect on the amounts recognised in the financial statements.

**(d) Income**

Income represents donations and grants received which are brought into account on receipt unless their receipt is probable in which case they are brought into account when notified. Grants received in advance are shown as deferred income. Gifts in kind are recognised on receipt and are valued at best estimate of value to the organisation.

Fundraising events participation fees are recognised as income on completion of the event.

**(e) Donated services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised and refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**(f) Interest receivable**

Interest on funds held on deposit is included when earned and the amount can be measured reliably by the charity.

**(g) Fund Accounting**

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the trustees in furtherance of the general charitable objectives.

Restricted funds are subject to specific restrictions funds as imposed by the donors.

**BUILD IT INTERNATIONAL**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**(h) Expenditure**

Expenditure is recognised when a liability is incurred.

Cost of raising funds includes those costs incurred in attracting donations.

Charitable activities include grants made to African NGOs to fund their charitable activities. These costs include both direct costs and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with use of resources, e.g. salary by time spent within that activity.

The prior year figures have been restated to include the foreign exchange difference arising on consolidation that was not included in the 2021 figures.

**(i) Operating leases**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

**(j) Tangible fixed assets**

Tangible fixed assets are shown at cost. Assets with a purchase cost above £1,000 are capitalised.

Depreciation is calculated to write down the cost of assets to their estimated residual values over their expected useful lives as follows:

Land - 0% on cost

Buildings - 2.857% on cost

Perimeter Walls - 4% on cost

Ground Fixtures - 5% on cost

Services & Site Works - 10% on cost

Landscaping - 20% on cost

Motor vehicles - 25% on cost

Office equipment and furniture - 25% on cost

Assets under construction are buildings and infrastructure which are incomplete. Depreciation will commence when completed and put into use.

**(k) Debtors**

Debtors are recognised at the amount due. Prepayments are valued at the amount prepaid.

**(l) Cash at Bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**(m) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

**(n) Financial Instruments**

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**(o) Pension contributions**

Since 1 March 2015 Build It International in the UK has offered non-temporary employees membership of a defined contribution occupational scheme "The People's Pension" operated by B&CE. All new non-temporary employees since 1 March 2015 are offered an employer contribution to "The People's Pension"; pre-existing employees have been allowed to retain employer contributions to pre-existing personal pension schemes. The charity's Auto-Enrolment staging date was 1 March 2016; and "The People's Pension" is the scheme in use to comply with those obligations. From 1 March 2016 all employees meeting automatic enrolment eligibility threshold have been offered membership of the scheme. The terms and conditions of employees of Build It in Zambia follow the requirements and norms applicable to Zambia; which include direct contributions to the Government run National Pension Scheme Authority (NAPSA) pension scheme.



**BUILD IT INTERNATIONAL  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**(p) Settlement payments**

Redundancy and settlement payments are recognised at the leaving date of the member of staff and measured at the best estimate of expenditure required to settle the obligation at the reporting date.

**(q) Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the SOFA.

**(r) Risk Management Policy**

The charity has a Currency Risk Management Policy which is used to guide the purchase of forward contracts. This has the objective of covering 40%-50% of anticipated foreign currency requirements over the next 12 months; weighted to covering more shorter term and to cover less 9-12 months ahead.

**(s) Taxation**

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

**(t) Subsidiaries**

Build It International has 1 subsidiary company:

BII Zambia Limited 120170137444. The primary activity of this company is the delivery of a vocational skills training programme in a range of entry level building trades through its Training into Work Programme.

**(u) Basis of consolidation**

The financial statements consolidate the results of the UK charitable company and its subsidiary, BII Zambia on a line by line basis. Any inter company balance has been eliminated on consolidation. The results of Group undertakings are translated into sterling at the average exchange rates for the year. The assets and liabilities of overseas undertakings are translated at the exchange rates ruling at the year-end.

**2. LEGAL STATUS OF THE CHARITY**

The Charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity.

**BUILD IT INTERNATIONAL**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

<b>3. INCOME FROM DONATIONS</b>	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total 2022 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total 2021 £</b>
Individuals	109,275	121,442	230,717	109,358	95,168	204,526
Grants from foundations and trusts and other organisations	535,732	207,953	743,685	547,870	450,994	998,864
Legacies	-	-	-	10,000	-	10,000
	<u>645,007</u>	<u>329,395</u>	<u>974,402</u>	<u>667,228</u>	<u>546,162</u>	<u>1,213,390</u>

Grants from foundations and trusts and other organisations includes donations of services and materials totalling £7,368 (2021: £8,550), and £6,000 (2021: £375) for training and professional services.

**4. OTHER TRADING ACTIVITIES**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total 2022 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total 2021 £</b>
Fundraising events	23,571	-	23,571	8,550	-	8,550
	<u>23,571</u>	<u>-</u>	<u>23,571</u>	<u>8,550</u>	<u>-</u>	<u>8,550</u>

Other trading activities comprise payments for participating in fundraising events.

**5. INVESTMENTS**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total 2022 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total 2021 £</b>
Investment income	4,112	-	4,112	3,360	-	3,360
	<u>4,112</u>	<u>-</u>	<u>4,112</u>	<u>3,360</u>	<u>-</u>	<u>3,360</u>

**6. OTHER INCOME**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total 2022 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total 2021 £</b>
Trainee Registration	-	1,290	1,290	-	-	-
Other income	-	24	24	7,932	-	7,932
	<u>-</u>	<u>1,314</u>	<u>1,314</u>	<u>7,932</u>	<u>-</u>	<u>7,932</u>

**7. RAISING FUNDS**

	<b>Unrestricted funds 2022 £</b>	<b>Restricted funds 2022 £</b>	<b>Total 2022 £</b>	<b>Unrestricted funds 2021 £</b>	<b>Restricted funds 2021 £</b>	<b>Total 2021 £</b>
Staff costs	163,841	-	163,841	158,177	6,321	164,498
Operational support	26,953	-	26,953	25,637	-	25,637
Governance costs	8,235	547	8,782	4,037	570	4,607
Support costs	33,335	-	33,335	24,033	-	24,033
	<u>232,364</u>	<u>547</u>	<u>232,911</u>	<u>211,884</u>	<u>6,891</u>	<u>218,775</u>

**BUILD IT INTERNATIONAL**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2022**

**8. CHARITABLE ACTIVITIES**

	Grant making 2022	Charitable activities 2022	Total 2022	Grant making 2021	Charitable activities 2021	Total 2021
	£	£	£	£	£	£
Staff costs	-	328,003	328,003	-	322,644	322,644
Direct programme activities	25,000	493,301	518,301	26,379	411,609	437,988
Operational support	-	6,000	6,000	-	-	-
Governance costs	1,318	33,810	35,128	639	17,792	18,431
Support costs	5,000	128,340	133,340	3,334	92,812	96,146
	<u>31,318</u>	<u>989,454</u>	<u>1,020,772</u>	<u>30,352</u>	<u>844,857</u>	<u>875,209</u>
<b>Analyse by fund</b>						
Unrestricted funds	6,236	227,114	233,350	3,973	179,931	183,904
Restricted funds	25,082	762,340	787,422	26,379	664,926	691,305
	<u>31,318</u>	<u>989,454</u>	<u>1,020,772</u>	<u>30,352</u>	<u>844,857</u>	<u>875,209</u>

**9. SUPPORT COSTS**

	Support costs 2022	Governance costs 2022	Support costs 2021	Governance costs 2021	
	£	£	£	£	£
Staff costs	73,291	-	73,291	47,130	55,113
Operating costs - non staff	93,384	-	93,384	73,049	73,049
Audit fees	-	28,800	28,800	-	13,800
Accounts fee	-	8,188	8,188	-	-
Legal costs	-	1,653	1,653	-	-
Trustee meetings	-	5,269	5,269	-	1,255
	<u>166,675</u>	<u>43,910</u>	<u>210,585</u>	<u>120,179</u>	<u>143,217</u>
<b>Analysed between</b>					
Cost of generating funds	33,335	8,782	42,117	24,033	28,640
Charitable Activities	133,340	35,128	168,468	96,146	114,577
	<u>166,675</u>	<u>43,910</u>	<u>210,585</u>	<u>120,179</u>	<u>143,217</u>

Support and governance costs have been allocated based on the trustees estimated costs incurred being 20% to cost of generating funds, 3% to grant making and 77% to Zambia Program Delivery.

**10. MOVEMENT IN FUNDS**

	2022	2021
	£	£
Net movement in funds is stated after charging:		
Depreciation of tangible assets	39,602	42,733
UK Auditors remuneration	28,800	13,800
UK Accountants remuneration	8,188	-
Operating lease rentals - land and buildings	11,901	5,131
Recognised exchange differences (Gain)/Cost	<u>5,609</u>	<u>(292)</u>



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**11. STAFF COSTS (UK & ZAMBIA)**

	2022	2021
	£	£
Wages and Salaries	516,677	490,780
Social Security Costs	23,104	29,334
Other Pension costs	25,354	22,142
	<u>565,135</u>	<u>542,256</u>

**Direct employees (i.e. excluding contract workers)**

	As at 31st December 2022			As at 31st December 2021		
	Part-time	Full-time	Total	Part-time	Full-time	Total
UK-based staff	4	5	9	4	5	9
Zambia-based staff		21	21		30	30
	<u>4</u>	<u>26</u>	<u>30</u>	<u>4</u>	<u>35</u>	<u>39</u>

Average number of employees (full-time and part-time) in the year was 25 (2021: 32).

1 employee earned in excess of £60,000 (in a 12 month period) excluding employer pension contributions (2021: Nil). 1 employee fell within the band £60,000 - £70,000.

Build It International directly delivers its charitable programme of work and training in Zambia. We utilise the skills of highly qualified staff to deliver quality training with high standards to our trainees to give them the best grounding for their future. When compared with similar organisations staff numbers in Zambia are higher than other organisations that outsource their work.

The cost of Key Management Personnel is £155,037 (incl. Employer National Insurance and pension) for three employees (2021: £157,670 for four employees). Key Management Salaries are set by a Remuneration Committee in consultation with the Chief Executive (and Finance and Audit Committee as part of the annual budgeting process).

Holiday Pay outstanding at the end of year is £3,195 (2021: £4,545).

Whilst modest in quantity Build It International greatly values the expertise and voluntary time given by a number of individuals during 2022 and prior periods.

**12. TRUSTEE REIMBURSED EXPENSES**

A total of £1,460 (2021: £3,383) was incurred for the travel expenses of three trustees.

**13. TRUSTEE DONATIONS, TRUSTEE REMUNERATION AND RELATED PARTIES**

A total of £11,081 was donated by Trustees and Related Parties (2021: £12,990).

No trustees received remuneration with regard to being a Trustee in the year 2022 (2021: £Nil).

Other than those with BII Zambia below, there were no related party transactions in the year (2021: none).

The majority of expenditure is in Zambia through our subsidiary, BII Zambia Limited (a company limited by guarantee).

	2022	2021
Cash transfers from UK to Zambia	660,027	450,000
Non-cash transfers from UK to Zambia	58,022	59,700
Non-cash transfers from Zambia to UK	(3,541)	(164)
Total net Transfers to Zambia	<u>714,508</u>	<u>509,536</u>

Total net Transfers to Zambia are £714,508, ZMW 14.0M (2021: £509,536, ZMW 14.2M).

**14. GROUP FINANCIAL STATEMENTS**

The financial statements consolidate the results of BII and its subsidiary, BII Zambia Limited. A separate Statement of Financial Activities and Statement of Cash Flows is not presented for UK charitable company because the charity has taken advantage of the exemptions in S408 of the Companies Act 2006.

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**15 a). FIXED ASSETS - GROUP**

	Group Land & Buildings £	Group Office equipment £	Group Motor Vehicles £	Group Total £
Opening Cost at 1 January 2022	427,322	11,136	90,501	528,959
Additions	36,574	194	11,079	47,847
Disposals	(737)	-	(14,085)	(14,822)
Foreign exchange	11,271	162	2,387	13,820
Closing Cost at 31 December 2022	474,430	11,492	89,882	575,804
Opening Accumulated Depreciation at 1 January 2022	41,340	8,800	49,438	99,579
Depreciation charge for the year	17,214	1,689	20,699	39,602
Disposals in the year	-	-	(14,085)	(14,085)
Foreign exchange	1,091	153	1,304	2,548
Closing Accumulated Depreciation at 31 December 2022	59,644	10,642	57,356	127,642
<b>Net book value at 31 December 2022</b>	<b>414,785</b>	<b>850</b>	<b>32,526</b>	<b>448,161</b>
Net book value at 31 December 2021	385,982	2,336	41,063	429,380

Land is long leasehold land (99 years from 1 September 2016) for the Centre for Excellence project in Zambia.  
Buildings are depreciated over the expected useful life, and depreciation charges commence in the year in which they are brought into use.  
Buildings are all at the Centre for Excellence and as at 31 December 2022 are in use.  
At 31 December 2022 there are capital commitments relating to Centre for Excellence of Nil (2021: nil).

**15 b). FIXED ASSETS - CHARITABLE COMPANY**

	Office Equipment £
Costs at 1 Jan 2022	4,955
Additions	-
Disposals	-
Costs at 31 December 2022	4,955
Depreciation at 1 Jan 2022	3,007
Depreciation charge for year	1,243
Disposals	-
Depreciation at 31 December 2022	4,250
<b>Net book value at 31 December 2022</b>	<b>705</b>
Net book value at 31 December 2021	1,948

**16. DEBTORS**

	Group 2022 £	BII UK 2022 £	Group 2021 £	BII UK 2021 £
Gift Aid	7,809	7,809	21,029	21,029
Accrued Income	24,206	14,874	10,000	10,000
Sundry Debtors and Prepayments	22,618	6,605	65,835	6,355
	54,633	29,288	96,864	37,384

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17. CREDITORS (amount falling due within one year)	Group 2022	BII UK 2022	Group 2021	BII UK 2021
	£	£	£	£
Accruals	99,641	54,608	89,981	26,478
Sundry Creditors	33,510	10,805	2,291	-
	<u>133,151</u>	<u>65,413</u>	<u>92,272</u>	<u>26,478</u>

2020 Deferred Income of £81,447, being the 2020/21 grant from Irish Aid for programme activities to be delivered in 2021 was released in the prior year.

**18. COMMITMENTS UNDER OPERATING LEASES**

At 31st December 2022 the charity had commitments of £17,500 (2021: £4,618) under non-cancellable operating leases. This relates to a lease on Shrewsbury office premises. Of this £6,000 (2021: £4,618) relates to a period of less than one year and £11,500 (2021: £nil) relates to a period of one to five years. The Lease is with BII UK.

**19. ANALYSIS OF GROUP 2022 RESTRICTED FUNDS**

	Balance 1.1.2022	Fx loss on Zambia Reserve	Incoming resources	Expenditure	Transfers from Unrestricted	Balance 31.12.22	Cumulative capital purchases
	£	£	£	£	£	£	
<b>Training to Work</b>							
Training to Work including Centre for Excellence	747,005	-	109,728	(298,739)	3,835	561,829	414,785
<b>Community Buildings with Training &amp; Support Activities</b>							
Mukuyo Community School (2020)	7,421	-	-	-	-	7,421	
Naluyanda Community School (2020)	11,459	-	-	-	-	11,459	
Libuyu Maternity Unit (2021/2022)	41,363	-	72,457	(129,246)	15,426	0	
Other Community Projects (Zambia)	106,396	-	118,500	(149,113)	-	75,783	
<b>Other Projects</b>							
Distance Learning Programme	-	-	9,500	-	-	9,500	
Advocacy	21,424	-	15,404	(14,304)	-	22,524	
Safe Hands Programme	9,341	-	884	(1,056)	-	9,169	
Programme Support & Development Costs	-	-	9,692	(195,512)	185,820	-	
<b>Foreign exchange difference on consolidation</b>	(165,329)	(5,585)				(170,914)	
<b>Total</b>	<u>779,080</u>	<u>(5,585)</u>	<u>336,165</u>	<u>(787,969)</u>	<u>205,081</u>	<u>526,772</u>	

The prior year restricted funds figures have been restated to include the foreign exchange difference arising on consolidation of £165,329.

Funding is for individual projects and collectively for projects of a similar nature.

Community building projects include our training programme and the construction of community health and education infrastructure.

The Training into Work restricted fund contains two tranches of construction training income from the "Embassy of Ireland, Department of Foreign Affairs and Trade", the first in relation to release of deferred income from the Youth Employed Into Work Project 2020/21 of €90,000 (£81,478) and the second in relation to current year funding under the Youth Employed Into Work Project 2021/22 with a grant of €160,000 (£133,715). This enabled BII Zambia to train 5 cohorts of 22 trainees in construction skills, life skills and secure work placements with contractor partners.

\* Training into Work includes the Centre for Excellence.

Naluyanda Community School Fund relates to the community build project in Chibombo district of a three-classroom school building with an office and strong room for exam papers, a new sustainable latrine and a hand pump to provide access to safe, clean water.

Libuyu Refurbishment restricted fund relates to a two-phase project a new Maternal and Child Health unit at Libuyu Health Centre in Livingstone to improve antenatal, postnatal and family planning services, followed by a Phase II redevelopment of the existing clinic building.

The Safe Hands Initiative is building permanent hand wash facilities across 18 Zambian schools in rural and urban communities.

**Funds Transfers:**

1. Programme support and development costs: As in previous years a transfer from unrestricted funds is necessary to cover a deficit where expenditure exceeds income, which relates to the charity's core purpose and it's charitable activities.

2. Training into Work including the Centre for Excellence: Again, during 2022 we are grateful for the support that donors have shown for Build It by unrestricting their donation when usually restricted donations are given. As such, a small transfer from unrestricted of £3,835 is necessary to support the activities of training and building at the Centre for Excellence, as well as a small transfer from unrestricted of £15,426 supporting the completion of the Libuyu Refurbishment Phase II project.



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**19. ANALYSIS OF GROUP 2021 RESTRICTED FUNDS (continued)**

	Balance 1.1.2021	Fx loss on Zambia Reserve	Incoming resources	Expenditure	Transfers from Restricted Funds	Transfers from Unrestricted	Balance 31.12.21
	£	£	£	£	£	£	Restated £
<b>Training into Work</b>							
Training into Work including Centre for Excellence	616,413		272,362	(286,270)	-	144,500	747,005
<b>Community Buildings with Training &amp; Support Activities</b>							
Mukuyu Community School (2019)	8,423		-	(1,002)	-	-	7,421
Naluyanda Community School (2019)	40,722		(22,937)	(6,326)	-	-	11,459
Light of Hope Community School (2020)	19,263		-	(27,876)	8,613	-	-
Libuyu Maternity Unit (2020/2021)	48,910		127,000	(134,547)	-	-	41,363
Other Community Projects (Zambia)	28,872		129,510	(43,373)	(8,613)	-	106,396
<b>Other Projects</b>							
Advocacy	50,958		-	(29,534)	-	-	21,424
Safe Hands Programme	38,193		40,227	(69,079)	-	-	9,341
Other Projects							
Programme Support & Development Costs			-	(100,186)	-	100,186	-
Foreign exchange difference on consolidation	(165,329)						(165,329)
<b>Total</b>	<b>686,425</b>	<b>0</b>	<b>546,162</b>	<b>(698,193)</b>	<b>-</b>	<b>244,686</b>	<b>779,080</b>

**20. ANALYSIS OF RESTRICTED FUNDS - PARENT COMPANY**

	Balance £	Incoming £	Expenditure £	Transfers £	Balance £
Restricted Funds	263,160	320,061	745,330	205,081	42,972
Unrestricted Funds	615,700	672,690	465,738	(205,081)	617,571
<b>Total Funds</b>	<b>878,860</b>	<b>992,751</b>	<b>1,211,068</b>	<b>-</b>	<b>660,543</b>

	Balance 1.1.2021	Incoming resources	Expenditure	Transfers from Unrestricted	Balance 31.12.21
Restricted Funds	323,927	296,737	602,190	244,686	263,160
Unrestricted	559,288	696,886	395,788	(244,686)	615,700
<b>Total Funds</b>	<b>883,215</b>	<b>993,623</b>	<b>997,978</b>	<b>-</b>	<b>878,860</b>

Restricted Funds are held in BII UK until such times as they are requested by way of cash transfer to BIIZ. All of the balances relate to the itemised programme lines of restricted funds remaining in the group funds note, with the exception of Training into Work which is apportioned between BII Zambia and BII UK.

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**21. ANALYSIS OF FUNDS**

	Unrestricted Funds	Restricted Funds	2022 Total Funds
GROUP	£	£	£
Fixed Assets	33,376	414,785	448,161
Current Assets	649,608	179,725	829,333
Current Liabilities	(65,413)	(67,738)	(133,151)
Total	617,571	526,772	1,144,343

	Unrestricted Funds	Restricted Funds	2021 Total Funds
GROUP	£	£	£
Fixed Assets	43,399	385,981	429,380
Current Assets	598,779	458,893	1,057,672
Current Liabilities	(26,478)	(65,794)	(92,272)
Total	615,700	779,080	1,394,780

**22. TAXATION**

Build It International is a registered charity and therefore is not liable to income tax or corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to registered charities.

**23. GRANTS**

During 2022 the charity made a grant of £25,000 (2021: £26,379). The grant in 2022 was to support an institution, The Book Bus Foundation for the Lusaka School. No grants were paid to individuals during the year. The grants in 2021 were made to support the renovation of a Home Economics room at a Community School where Build It has constructed school buildings, and a grant from the BGL Legacy Programme for adult literacy. All other projects are directly managed by Build It International.

**24. DETAILS OF SUBSIDIARY UNDERTAKINGS**

Build It International operates in Zambia through BII Zambia Limited (a Company Limited by Guarantee), registered in Zambia as company number 120150137444. BII Zambia Limited is a 100% subsidiary of Build It International.

Control is exercised through a Memorandum of Understanding between the two Boards. The BII Chair and CEO are both members of the BII Zambia Ltd board of trustees. There is a single senior management team that includes both UK and Zambia staff members. Cash is transferred from the UK to Zambia on an 'as necessary' basis.

The aggregate amount of assets, liabilities and funds at 31 December 2022 for BII Zambia Limited is ZMW 12,125,823 (2021: ZMW 13,130,668). In the twelve months ending 31 December 2022 BII Zambia Limited had an income of ZMW 14,455,992 (2021: ZMW 15,680,290); expenditure of ZMW 15,445,655 (2021: ZMW 17,233,653); and a deficit of ZMW 1,019,663 (2021: deficit of ZMW 906,665). Direct Income for BII Zambia Limited includes grants from institutional donors, gifts in kind, local cash contributions to projects and bank deposit interest.