

AID AFRICA
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2020

AID AFRICA

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**AID AFRICA
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2020**

The trustees present their report together with the financial statements for the year ended 31 October 2020.

The financial statements have been prepared in accordance with the accounting policies and comply with the Charity's Trust Deed and the Statement of Recommended Practice, 'Accounting and Reporting by Charities' issued in March 2005 and applicable law.

Trustees at the date of this report

David Mills (Technical Director - Malawi) - Chairman
Lynda Mills (Project Director - Malawi)
Jenny Palmer (Deputy Chair) – Treasurer
Simone Hume
Hilda Stoker

Address

7 Shirehall Plain
Holt
Norfolk
NR25 6HT

Other Advisors

Bankers

HSBC, Cromer, Norfolk

Accountant

Keith Colman, - Fakenham, Norfolk

Independent Examiner

Dr D P Ainsworth D.Ph. – Fakenham Norfolk

**AID AFRICA/OPEN HAND PROJECTS
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2020**

Structure, Governance and Management

Aid Africa is a registered charity constituted and governed by a Trust Deed dated 15th September 2006.

Trustees are elected by the governing body i.e. the current Trustees.

In the UK, meetings of the Trustees have been held throughout the year, at the AGM new Trustees were appointed, further discussions were held via email due to the Coronavirus restrictions.

They receive reports on the work of the charity and progress made. Decisions are made by the Trustees who also seek to ensure that the legal requirements of the Charity Commission and other regulatory bodies are carried out. The charity's shop in Holt is managed and staffed by volunteers under the oversight of Mrs Jacqui Cross and Mrs Jenny Palmer.

In Malawi, the charity employs local Malawians who are involved in the day to day running of the base in Chiringa. Their work is overseen by David & Lynda Mills during their visits to Malawi, and by Les and Kathie Craske, who live in Malawi, and Trustees. Additionally, when they are back in the UK, David and Lynda Mills maintain regular contact with the Crasques and the local OHP workforce by telephone, text and e-mail.

Objectives and activities

The governing document describes the objects of the charity as being "To relieve poverty and sickness, in particular but not exclusively in Malawi, by supplying resources and advice for agricultural projects"

The charity was established with a vision to help to alleviate some of the needs of the most vulnerable in the rural areas of Malawi, and seeks to encourage self-sufficiency within the local communities and discourage dependence, with a robust safeguarding policy in place. Our aim is to encourage, empower, and benefit individuals, households and community groups, in food security, nutrition, education, training, re-forestation and water security.

We seek to encourage the spirit of giving and acceptance of all, especially those AIDS affected. In all this the Trustees have had regard to the guidance issued by the Charity Commission on Public Benefit.

Volunteers play a very significant role in the life of the charity here in the UK, in the shop, with fund raising and with administration. A number have visited Malawi at their own expense. The charity is indebted to these hard working people.

Activities in 2020

Coronavirus

The first cases of coronavirus were reported in Malawi during March. We were very concerned about the impact the virus could have on such a congregational society, where crowds are commonplace and healthcare poor, but the covid figures stayed low throughout the year, just multiplying right at the end to a peak in January 2021. However, the level of testing was unconfirmed and statistics therefore unreliable.

Soap

As soon as the first cases were confirmed in Malawi, we considered how we could help. By the end of March we'd empowered our staff to distribute soap to hundreds of vulnerable families from 15 villages to encourage regular hand-washing. Many villagers couldn't afford to buy soap and handwashing was recommended as one of the few guards against coronavirus. Further distributions in May, August, and November, as well as those as part of our Food Programme, brought the total to over 2,790 bars of soap distributed in 2020.

Water

Another aspect of helping to mitigate the threat of coronavirus was water supply. If borehole pumps are broken, then it forces women to adjacent facilities causing queues and congestion, and minimises opportunities for social distancing. So in April we repaired 7 boreholes, including those of 4 schools—1794 households benefitted, probably about 15,000 people.

In August, another 7 pumps were repaired—restoring safe water back to 439 households (plus 1 school) - approx. 4,000 people.

Altogether, during 2020 we restored safe water to about 24,000 people—3246 households, and 6 schools

Hunger

Malawi is one of the poorest countries in the world, and hunger is probably its greatest challenge, especially in the rural communities, mostly due to its erratic climate, impoverished soil and precarious economy.

Food Programme 2019/20

The 1st distribution had taken place in mid-December, so people would have food for Christmas, followed by events at the end of January & February, leaving our maize storerooms empty.

In January 2020, the 2nd distribution of our 2019/20 Food Programme took place from our Centre. 170 households received 25kgs maize (basis for 100 meals), 4 packs of dried soya meals and a bar each of skin and laundry soap—plus 5 tree seedlings to encourage reforestation.

Food Programme 2020/21

For the 2020/21 Food Programme, we bought in 17 tonnes of maize for distribution and increased the number of beneficiaries to 218 vulnerable households (about 1,100 people, over 65,000 meals) during the “hunger period” beginning at Christmas. On arrival on site, the maize was dried, winnowed, moisture content measured, and then packed into dual-lined grain bags, designed to destroy weevil infestation and damage. Bags were placed in our storerooms and were checked regularly for signs of any deterioration.

Food tokens

Apart from our regular monthly emergency, and cash-for-work budgets supporting food provision, we distributed extra funds to 100 vulnerable households from January till April when the maize was harvested. On-site, we also grew and gave away vegetables throughout the year .

But by May our cash-for-work scheme showed that all the people who were coming to us for piece-work, were working for money to buy food, despite the fact that the maize harvest had only happened a couple of months ago. This was clearly indicative of increasing hunger as the year progressed. The food situation deteriorated further, and many of the most vulnerable were hungry, so from August we provided an extra 50 families with “food tokens” per month, providing funds for the maize basis of about 30 meals per household. This will continue each month until the maize harvest 2021.

Altogether, during 2020, Aid Africa provided over 90,000 meals, helping 1386 households.

Elderlies Luncheons

These were regular fortnightly events for many years—a nutritious meal and social occasion for 30-40 elderly folk. The last was held in March, but due to the pandemic, we considered it prudent to close them down to set an example of care for the community. We weren't able to host these popular events for the rest of the year due to social distancing restrictions.

Reforestation

At the beginning of the year we began to give out the 4500 tree seedlings grown in our tree nursery. Some were distributed to vulnerable families with the Food Programme, hundreds were given to school children to plant around their schools as they learned about the benefits and importance of reforestation, and others were donated to village communities.

We provided four main varieties of trees —moringa for nutrition, acacia and mtangatanga for fuel, and glycidia for green manure—all of vital importance in this culture.

Moringa is an amazing, fast growing, local tree, with leaves packed with nutrients, but even in this poorly-nourished society, it's scarcely used for food because wandering livestock love it too and demolish the trees in their quest for the leaves.

Moringa Groves Project

So we planned the Moringa Groves Project to help establish woodlots of 100 moringa trees in three villages, trialling protection by woven modular fencing, crafted locally with traditional skills from local materials.

The expectation is that these groves will provide high-grade nutrition freely for the villagers next year.

Our tree nursery was renovated in preparation for tree-seed sowing to support the project, local Chiefs approached, and ground plans and time frame established. The local leaders responded with enthusiasm, donating land, and establishing voluntary committees to prepare and care for the Groves. Training in compost-making was held on each site, equipment provided, then pits prepared.

Samples of fencing panels were discussed, design approved, and the first 50 panels commissioned. In the meantime, moringa seeds were sown, along with hundreds of glycidia too, which would be planted around the fencing as a future living fence when the panels were removed.

A Training Day was planned in our Training Hall for January 2021, covering the importance of reforestation, land preparation, planting of the groves and subsequent care. Following that, the construction of the groves would follow, helped and supervised by our staff who would then monitor them regularly.

Education

During 2019/20, we had 65 students on our books, from 3 different secondary schools. However, during March the first cases of coronavirus were reported in Malawi, and the schools, colleges and Universities closed, and didn't re-open for the remainder of the academic year. As in the rest of the world, there was concern about the lack of education and particularly about the Form 4's who should have been taking their final exams.

In September, schools opened again for intensive training for those final year students who had missed their exams, put back to October, but the exams were abandoned due to an alleged leak of the papers. In an effort to retain the integrity of the results, they were rescheduled for the new year. In October, all other students returned, studying the missed Term 3 curriculum—the new school year will begin in January 2021.

Goats' Milk

We had been developing a dairy goat herd for many years, originally to provide milk for acutely vulnerable babies, but in 2018 the Gov. produced nutritional guidelines that urged exclusive breast feeding for infants, with no provision for those mothers who were unable. Meetings with health officials at that time were inconclusive but mothers were told not to use goats' milk, so we distributed it to nursery schools instead while we decided the future of the herd.

However, now the guidelines have proved impossible for the Health Department to uphold, and Maternity Departments, Village Heads and other leaders have referred those in need back to us for help.

From our Centre in Chiringa ...

Staff

During 2019/20 there were 10 staff at our Centre in Chiringa, but at the end of October, Damison, a longstanding member of the security team, retired, and was presented with a watch to celebrate his many years of service.

UK Directors have been unable to travel to Malawi as usual due to the pandemic, so our Malawian staff have been handling all the day-to-day issues, and managed project work, as well as the challenges brought by covid-19. They've done remarkably well, kept in close contact with the UK through email and provided report material with supporting evidence. They've also been involved in local agricultural training.

Staff Training

The pandemic has restricted building capacity into our team by personal assessment and training during 2019/20, but our team leader has finished a Community Development diploma course, though disjointed through coronavirus regulations. He was due to sit exams in December (delayed from June), but confusion over entry has delayed his exams till March 2021. He has also completed associated modules, including monitoring and evaluation. Staff have been backed up by our local overseers who manage finances and check accountability.

Goats

We considered thinning out our goat stock, in the dry season adequate feeding is challenging, and we had too many bucks. In the past we'd donated goats around the community to improve local stock quality, but the animals were tempting for food. So, we approached the district veterinary department with the view to establishing dairy farms around the larger area by donating some of our well-bred bucks. Originally, they said they'd identified 5 farmers who would like to begin dairy farms, and had readied housing & pasture. During conversations, we'd described the obligations and responsibilities of dairy management, as milking goats are still a new concept in the area, but the plan was interrupted by the coronavirus pandemic and the future of the project unclear.

Land Sale

We decided to sell our 2nd site, primarily bought for agricultural seed multiplication and to grow moringa, but proved to be too water-logged during the rainy season to support the trees, the proceeds (MK325,000) would be used for projects within the community.

Open Hand....

Our Reception area is open each week where we interface with the public, and encourage "cash-for-work" rather than handouts. From here we also provide help for emergency situations—63 interventions during 2020—anything from ambulance transport for maternity, acute illness or accidents, to funeral donations and babies formula for those who have walked for hours to seek help.

As the rains approached, we provided hundreds of metres of plastic sheeting to the most vulnerable for roofing—further repairs will be considered in the new year.

Community influence

Open Hand Projects is increasingly invited to participate in regional development forums, involving Government district officials and NGO personnel.

UK Update

Aid Africa Charity Shop

Due to coronavirus, our Holt Charity shop was forced to close in the national lockdown from 21st March—22nd June 2020. This meant no income from this source, though we still had rent, utilities, etc to pay. We re-opened immediately the restrictions were lifted, with Perspex shielding around the till to protect staff and a sanitising station at the door so each customer could cleanse their hands on entry.

However, it was a challenging year financially, as despite the lack of shop income and the effects of the pandemic generally, we still have rent etc to pay, though Government help with retail grants, business rates relief and furlough, along with donations, have helped to sustain the charity.

AID AFRICA
TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 31 OCTOBER 2020

Statement of trustees' responsibility

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Law applicable to charitable companies requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charitable company's financial activities during the period and of its financial position at the end of the period. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; 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 accounting records which disclose with reasonable accuracy the financial position of the Trust. 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.

Statement of disclosure to auditors

- so far as the trustees are aware, there is no relevant audit information of which the auditors are unaware; and they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the trust's auditors are aware of that information.

This report has been prepared in accordance with Statement of Recommended Practice - Accounting and Reporting by Charities (issued in March 2005).

This report was approved by the board and signed on its behalf.

(signed by David Mills)

David Mills Chairman
Date: 23rd June 2021

AID AFRICA
Charity No: 1116336
Accounts for the year ended 31 OCTOBER 2020

Respective responsibilities of trustees and examiner:

As the charity's trustees you are responsible for the preparation of the accounts; you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is my responsibility to state, on the basis of the procedures specified in the general directions given by the Charity Commissions under section 43(7)b of the Act, whether particular matters have come to my attention.

Basis of independent examiner's report:

My examination was carried out in accordance with my understanding of the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with these records. It also includes the consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

Independent examiner's statement:

In connection with my examination, no matter has come to my attention:

- 1) - gives me reasonable cause to believe that in any material respect the requirements
 - a) to keep accounting records in accordance with section 41 of the Act; and
 - b) to prepare accounts which comply with the accounting records and accounting requirements of the Act, have not been met,
- 2) - or to which, in my opinion attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Dr D P Ainsworth
Fakenham
Norfolk

Profit and Loss
Aid Africa
For the 12 months ended 31 October 2020

	Oct-20	Oct-19	Oct-18
Income			
Donations in memorium	£0.00	£0.00	£179.56
Education sponsorship not gift aided	£0.00	£0.00	£5.00
Gift Aid tax receivable	£5,373.81	£4,911.56	£4,500.00
Gift-aided donations - education	£2,110.00	£1,002.00	£1,272.00
Gift-aided donations - general	£15,098.72	£17,367.00	£15,756.40
Legacies & bequests	£0.00	£0.00	£2,000.00
Other donations - not g/a - general	£16,884.90	£17,524.88	£11,212.34
Shop sales	£15,055.28	£18,899.41	£24,376.35
Small Gifts claimable under Gift Aid Scheme	£1,705.86	£1,593.06	£1,819.80
Total Income	£56,228.57	£61,297.91	£61,121.45
Less Cost of Sales			
Direct Malawi Project costs	£582.90	£18,470.02	£31,043.91
Direct Malawi running costs	£26,150.00	£17,450.00	£15,000.00
Total Cost of Sales	£26,732.90	£35,920.02	£46,043.91
Gross Profit	£29,495.67	£25,377.89	£15,077.54
Plus Other Income			
Furlough CJRS Grant	£6,377.68	£0.00	£0.00
Government Covid-19 Grant	£10,000.00	£0.00	£0.00
Interest received	£10.09	£13.63	£7.30
NIC employer rebate	£627.34	£877.68	£845.12
Total Other Income	£17,015.11	£891.31	£852.42
Less Operating Expenses			
Charity - Bank Fees - international	£306.00	£231.00	£30.00
Charity - Employers NI	£627.34	£877.68	£845.12
Charity - IT Software and Consumables	£103.83	£0.00	£1,340.55
Charity - Postage	£0.00	£0.00	£87.12
Charity - Salaries	£13,357.81	£14,923.68	£14,446.92
Charity - Telephone & Internet	£66.00	£66.00	£66.00
Charity - Travel - international	£46.00	£4,549.47	£5,380.66
Other Fundraising costs	£0.00	£0.00	£0.90
Shop - Advertising & Marketing	£288.00	£547.20	£403.20
Shop - Card charges	£46.30	£0.00	£0.00
Shop - Insurance	£558.88	£533.03	£328.78
Shop - Light, Heating & telephone	£1,358.50	£870.13	£1,778.95
Shop - miscellaneous expenses	£518.86	£244.00	£297.26
Shop - Music licence PPL	£118.32	£380.00	£325.67
Shop - Rates and water rates	£349.55	£830.49	£992.33
Shop - Rent	£5,437.50	£7,250.00	£7,250.00
Shop - Repairs Expenses	£402.20	£25.20	£97.20
Shop - staff welfare	£48.10	£33.50	£22.95
Total Operating Expenses	£23,633.19	£31,361.38	£33,693.61
Net Profit	£22,877.59	-£5,092.18	-£17,763.65

Aid Africa - Balance Sheet

Balance Sheet Aid Africa As at 31 October 2020

	31 Oct 2020	31 Oct 2019	31 Oct 2018
Assets			
Bank			
BMM Deposit account	20,830.11	5,705.13	3,328.50
E Regular STO account	1,068.44	312.14	978.98
Main account	9,973.40	2,945.75	2,642.82
Total Bank	31,871.95	8,963.02	6,950.30
Current Assets			
Accounts Receivable	410.25	280.00	0.00
Cash in Malawi	305.00	305.00	305.00
Prepayments	2,604.00	3,536.60	10,908.25
Total Current Assets	3,319.25	4,121.60	11,213.25
Fixed Assets			
Buildings	500.00	500.00	500.00
Total Fixed Assets	500.00	500.00	500.00
Total Assets	35,691.20	13,584.62	18,663.55
Liabilities			
Current Liabilities			
Wages control	(572.68)	198.33	185.08
Total Current Liabilities	(572.68)	198.33	185.08
Total Liabilities	(572.68)	198.33	185.08
Net Assets	36,263.88	13,386.29	18,478.47
Equity			
Current Year Earnings	22,877.59	(5,092.18)	(17,763.65)
General unrestricted fund	13,386.29	18,478.47	36,242.12
Total Equity	36,263.88	13,386.29	18,478.47

AID AFRICA
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED
31 OCTOBER 2020

1 ACCOUNTING POLICIES

1.1 ACCOUNTING CONVENTION

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain investments and include the results of the charity's operation which are described in the Trustees' Report and all of which are continuing. The accounts have been prepared in accordance with the Statement of Recommended Practice, ("SORP"), 'Accounting and Reporting by Charities' published in March 2005 and applicable accounting standards. The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement.

1.2 INCOMING RESOURCES

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of donations and gifts and is recognised on receipt or accrued as income as soon as practical and prudent to do so. Income tax refunds due from income received under deduction of tax are credited in the same year as the relevant income.
- Income from charitable activities include fees receivable from donors and is credited in the same year as the relevant income.

1.3 RESOURCES EXPENDED

All expenditure is accounted for on an accrual basis and includes attributable VAT which cannot be recovered, and is reported as part of the expenditure to which it relates:

Costs of generating funds comprise the costs associated with attracting voluntary income.

- Charitable activities include.
 - Governance costs include those costs associated with meeting the constitutional statutory requirements of the charity and include independent examiner's fees.
 - All costs are allocated between expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to particular activities are allocated directly, others on an estimated usage basis.