

Charity registration number: 1118470

Africa Research Institute

Annual Report and Financial Statements
for the Year Ended 31 March 2025

Africa Research Institute

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Africa Research Institute

Reference and Administrative Details

Trustees	Mr R E L Smith
	Miss S F Smith
Charity Registration Number	1118470
Principal Office	Street Court
	Kingsland
	Leominster
	Herefordshire
	HR6 9QA
Independent Examiner	Hazlewoods LLP
	Staverton Court
	Staverton
	Cheltenham
	GL51 0UX
Solicitors	Harrison Clark Rickerbys LLP
	Ellenborough House
	Wellington Street
	Cheltenham
	Gloucestershire
Bankers	GL50 1YD
	Lloyds TSB Bank Plc
	49-51 Dean Street
	Marlow
	Buckinghamshire
	SL7 3BP

Africa Research Institute

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 March 2025.

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

Objectives and activities

Objects and aims

The objects of the charity are to advance the education of the general public in the UK, Africa and elsewhere in the subjects of good governance, health, gender issues, trade, rural development, international aid, human welfare and poverty relief relating to countries and societies in Africa and to educate the public about Africa generally and the challenges it faces; and to promote research into the above subject areas for the benefit of the public and to disseminate the useful results of such research.

Objectives, strategies and activities

The objectives of the charity are to encourage debate, question orthodoxy and challenge "received wisdom" in and about Africa. The charity seeks to promote an informed, nuanced and representative understanding of the continent.

The work of the charity draws attention to good practice and innovation, while also identifying where new approaches might be needed. Examples of practical achievement are of particular interest to us.

The charity's research is distributed widely within Africa and elsewhere to decision-makers, institutions and individuals with a keen interest in the continent's future. The charity also holds regular interactive events with expert speakers in London and Africa.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

There have been no significant developments or changes to the activities of the charity during the last year however an employed director has remained in post to further progress its aims and objectives.

Financial review

At the balance sheet date, "free reserves", being unrestricted funds other than fixed assets, amounted to £118,202 (2024: £108,567).

Policy on reserves

The charity aims to retain free reserves sufficient to provide adequate working capital to fund its charitable activities.

Cash reserves at the year end (including amounts held on short term deposit) were £122,269 (2024: £112,639).

Risk

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks

Africa Research Institute

Trustees' Report (continued)

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:

Mr R E L Smith
Miss S F Smith
Lord Flight of Worcester (resigned 13 November 2024)

Structure, governance and management

Nature of governing document

The charity is governed by its Trust Deed dated 26 February 2007. It is independently funded and strictly non- partisan.

Recruitment and appointment of trustees

The power of appointing new trustees is vested in the trustees.

Organisational structure

The trustees are responsible for formulating the strategies and policies of the charity including the exercising of financial controls.

The annual report was approved by the trustees of the charity on .26/01/2026. and signed on its behalf by:

.....
Mr R E L Smith
Trustee



Africa Research Institute

Statement of Trustees' Responsibilities

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

The law applicable to charities requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

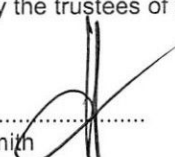
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008, and the provisions of the constitution. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Approved by the trustees of the charity on 26/01/2026 and signed on its behalf by:

.....
Mr R E L Smith
Trustee



Africa Research Institute

Independent Examiner's Report to the trustees of Africa Research Institute

I report to the trustees on my examination of the accounts of Africa Research Institute for the year ended 31 March 2025.

Responsibilities and basis of report

As the charity trustees of Africa Research Institute you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Africa Research Institute's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of Africa Research Institute as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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



.....
Felicity Sang FCA

Staverton Court
Staverton
Cheltenham
GL51 0UX

Date: 26/01/2026

Africa Research Institute


Statement of Financial Activities by fund for the Year Ended 31 March 2025

	Unrestricted Funds 2025 £	Unrestricted Funds 2024 £
Income from:		
Donations and legacies	100,000	130,000
Expenditure on:		
Charitable activities	<u>90,365</u>	<u>89,562</u>
Net income for the year/net movement in funds	9,635	40,438
Total funds brought forward	<u>108,567</u>	<u>68,129</u>
Total funds carried forward	<u><u>118,202</u></u>	<u><u>108,567</u></u>

Africa Research Institute
(Registration number: 1118470)
Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
Current assets			
Cash at bank and in hand		122,269	112,639
Creditors: Amounts falling due within one year	8	<u>(4,067)</u>	<u>(4,072)</u>
Net assets		<u>118,202</u>	<u>108,567</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		<u>118,202</u>	<u>108,567</u>
Total funds	9	<u>118,202</u>	<u>108,567</u>

The financial statements on pages 6 to 14 were approved by the trustees, and authorised for issue on 26/01/2026, and signed on their behalf by:



 Mr R E L Smith
 Trustee

Africa Research Institute

Notes to the Financial Statements for the Year Ended 31 March 2025

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with the second edition of the Charities Statement of Recommended Practice issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

Charity information

Africa Research Institute is an unincorporated charity and is registered with the Charity Commission under number 1118470. The address of the principal office can be found on the legal and administrative information page.

Basis of preparation

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

The charity has taken advantage of the provisions in the SORP for smaller charities not to prepare a Statement of Cash Flows.

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

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

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

Going concern

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

Africa Research Institute

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

1 Accounting policies (continued)

Judgements

Critical accounting judgements and key sources of estimation uncertainty

The trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities based on their experience and professional advice received. Inevitably, the actual outcome may differ from predictions. Estimates and underlying assumptions are reviewed on an ongoing basis to ensure that they remain relevant.

Income and endowments

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

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Interest on funds held on deposit is included when receivable & the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

The charity receives donated resources from the HR Smith Group of companies in the form of provision of office space but as the value of these resources cannot be quantified the income and expenditure has not been recognised in the statement of financial activities.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources. Irrecoverable VAT is charged against the category of resources expended for which it is incurred.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in the notes to the financial statements.

Grants are recognised in full in the year in which they are approved with future payments being included as liabilities. Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure

Taxation

The charity is exempt from corporation tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to the charitable objects.

Africa Research Institute

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

1 Accounting policies (continued)

Cash and cash equivalents

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

Fund structure

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

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

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

Derecognition of financial assets

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

Africa Research Institute

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

1 Accounting policies (continued)

Debt instruments

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

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

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

Derecognition of financial liabilities

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

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

Provisions

Provisions are recognised when the charity has a legal or constructive present obligation as a result of a past event, it is probable that the charity will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in net income/(expenditure) in the period in which it arises.

2 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations from companies, trusts and similar proceeds	100,000	130,000
	<u>100,000</u>	<u>130,000</u>

Africa Research Institute

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

3 Expenditure on charitable activities

	Note	Direct costs 2025 £	Direct costs 2024 £
Staff costs		84,913	84,912
Allocated support costs	4	3,462	2,908
Governance costs	4	1,990	1,742
		<u>90,365</u>	<u>89,562</u>

4 Analysis of governance and support costs

	Support costs £	Governance costs £	2025 £	2024 £
Rates	1,480	-	1,480	1,319
Insurance	542	-	542	-
Other support costs	1,249	-	1,249	1,375
Accountancy	-	1,340	1,340	871
Independent Examiners fee	-	650	650	871
Bank charges	191	-	191	214
Analysed between Charitable activities	<u>3,462</u>	<u>1,990</u>	<u>5,452</u>	<u>4,650</u>

Governance costs

	Unrestricted funds General £	Total 2025 £	Total 2024 £
Independent examiner fees			
Examination of the financial statements	650	650	871
Other fees paid to examiners	<u>1,340</u>	<u>1,340</u>	<u>871</u>
	<u>1,990</u>	<u>1,990</u>	<u>1,742</u>

5 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year (2024: Nil).

Africa Research Institute

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

6 Staff costs

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

	2025 No	2024 No
Research	1	1

The aggregate payroll costs were as follows:

	2025 £	2024 £
Staff costs during the year were:		
Wages and salaries	80,113	80,112
Social security costs	4,800	4,800
	<u>84,913</u>	<u>84,912</u>

The number of employees whose emoluments fell within the following bands was:

	2025 No	2024 No
£80,001 - £90,000	1	1

7 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 objects.

8 Creditors: amounts falling due within one year

	2025 £	2024 £
Other creditors	2,617	2,680
Accruals	1,450	1,392
	<u>4,067</u>	<u>4,072</u>

9 Funds

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Balance at 31 March 2025 £
Unrestricted funds				
General	<u>108,567</u>	<u>100,000</u>	<u>(90,365)</u>	<u>118,202</u>

Africa Research Institute

Notes to the Financial Statements for the Year Ended 31 March 2025 (continued)

9 Funds (continued)

	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Balance at 31 March 2024 £
Unrestricted funds				
General	<u>68,129</u>	<u>130,000</u>	<u>(89,562)</u>	<u>108,567</u>

10 Related party transactions

	Donations	Donations	Recharges	Recharges
	2025 £	2024 £	2025 £	2024 £
HR Smith Technical Developments Limited	-	-	199	195
HR Smith Group Limited	100,000	130,000	-	-
Specmat Limited	-	-	-	148
	<u>100,000</u>	<u>130,000</u>	<u>199</u>	<u>343</u>

Mr R E L Smith and Miss S F Smith are Trustees of the charity and also directors of HR Smith Group Limited, HR Smith (Technical Developments) Limited, Specmat Limited and Techtest Limited. The charity received donations without conditions and was recharged for IT and life insurance related costs as detailed above.