

African Promise

Registered charity number 1122285

**Trustees' Report & Accounts
for the year ended 31 March 2023**

African Promise

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Legal and Administrative Information

Registered Address	97a Stormont Road Battersea London SW11 5EJ
Charity number	1122285
Trustees	Christopher Ott (Chairman) Gary Shiels (Treasurer) Nicola Coldman
Founding Director/Settlor	Charles Coldman
Principal bankers (<i>in the UK</i>)	CAF Bank Ltd Kings Hill West Malling Kent ME19 4JQ
Principal bankers (<i>in Kenya</i>)	Absa Group Ltd (formerly Barclays Bank Kenya) Voi Branch PO Box 720 Voi 80300 Kenya
Principal currency brokers	Alpha FX Limited Brunel Building 2 Canalside Walk London W2 1DG
Independent Examiner	Ryan Evans FCA Cadence Accounting Suite 3, 157 Station Road East Oxted Surrey RH8 0QE

African Promise

Trustees' Report for the Annual Accounts 2022-23

The Trustees present their Report and Accounts for the year ended 31 March 2023.

Structure, Governance & Management

African Promise is a Charity under the terms of Section 3 of the Charities Act 1993 and 2006. The charity was registered with the Charity Commission on 13th January 2008 under the registration number 1122285. The charity is governed by the Charitable Trust Deed of 10th December 2007.

Under the Trust Deed the power of appointing new Trustees of the Charity is vested in the Settlor, the charity's founding director. The Trustees shall at no time exceed four in number. There are currently no official policies and procedures for the induction and training of new trustees. There were no appointments but one resignation during the year meaning the Trustees currently number three.

The Board of Trustees, in conjunction with the founding director, is responsible for the governance and strategic direction of the charity. The founding director is responsible for ensuring the charity delivers its objectives.

Objectives and Activities

Charitable purposes and public benefit

The principal objective of the charity is to promote and provide for the advancement of education in primary schools in Kenya, in particular by supporting the development of schools in the Kasigau region by improving learning environments, enhancing pupil welfare and well-being, and removing barriers to accessing education.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives of the charity and when planning the future activities. The trustees assess how new activities planned will contribute to the overall aims and objectives they have set and periodically review existing activities to ensure ongoing public benefit.

Activities

The charity focuses on the following core activities across its partner schools, which currently number eight serving approximately 3,000 children:

- Improvements and upgrades to infrastructure including through the construction and renovation of classrooms, WASH (water, sanitation and hygiene) facilities, kitchen/dining halls, offices/staffrooms, staff housing, and more.
- The support of a feeding programme to ensure all pupils receive a daily lunchtime meal during term-time.
- Provision of funding towards the salaries of much-needed extra teachers and support staff including cooks and watchmen.
- The ad-hoc supply of furniture and equipment, learning resources and materials, and funding for educational programmes and activities.

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To support these activities the charity engages in raising funds from the general public and from private organisations in the UK and elsewhere including by: applying for funds from registered charitable trusts and foundations; hosting public fundraising events; purchasing places in challenge/endurance events; appealing for donations from members of the public; and partnering with fundraising charities, schools, companies, businesses and other groups and organisations.

To facilitate this and to help raise the profile of the charity and to maximise income the charity:

- maintains a website at www.africanpromise.org.uk and social media accounts on Twitter, Facebook, LinkedIn and Instagram.
- actively uses the following third-party platforms as a means for collecting donations and raising funds online: CAF Donate, JustGiving, GlobalGiving, Facebook Fundraising, Benevity, GoFundMe, TheBigGive, Charities Trust, PayPal Giving Fund, Givergy & others.
- has a Google Ad grant worth up to \$10,000pcm.
- uses Mailchimp to create and send email communications to individuals who have opted-in to hear from us.
- is registered with HMRC to claim Gift Aid on eligible donations.

The charity is registered with the Fundraising Regulator and is committed to upholding their Fundraising Promise in all our fundraising activities.

The charity's day-to-day fundraising and marketing activities are overseen and implemented by the founding director, complemented by paid and pro-bono consultants providing ad-hoc and on-going support in areas such as PR, graphic design, and digital marketing.

Achievements and performance in the year

The charity continued to use its resources primarily to improve school infrastructure, to provide food for a daily lunchtime meal and clean water for drinking, cooking and cleaning, and to support other on-going school running costs including the salaries of additional teachers and support staff as well as repair and maintenance activities.

The on-going redevelopment of our eighth partner school at Mkamenyi Primary remained our focus and particular activities there in the year included the construction of a kitchen and dining hall, installation of 60,000 litres of rainwater harvesting and storage capacity, and landscaping works to create a central courtyard and assembly ground area. Total expenditure on the project, which was initially budgeted at approximately £250,000, now totals around £225,000. It is anticipated that the majority of planned works will be completed before the end of 2023/24 and the final cost will be closer to £300,000.

Away from Mkamenyi, small-scale projects were undertaken at some of our other seven partner schools. This included the construction of storerooms, installation of additional rainwater harvesting & storage capacity and new toilets. The charity also funded the creation of a fenced kitchen garden space at our smallest partner school, Ngambenyi Primary, which we hope will be a small step towards the school becoming more self-sufficient both by being able to grow some of its own food and to sell excess to generate an income.

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The addition from April 2022 of Mkamenyi Primary and its 600 pupils as beneficiaries of food provided by the charity meant that, in combination with on-going rises in the price of foodstuffs, expenditure on our 'Feeding Minds' programme increased by 54% from 2021/22 to £54,473 in the year. We expect similar or even higher levels of expenditure in 2023/24.

The charity donated, in cash, a total of KES 3,734,400 (£25,721) directly to schools during the year which was used to partially fund the salaries of circa 75 extra staff, and towards vital maintenance and upkeep activities such as replacing broken/missing window glazing, repair of furniture, and repainting. Without this support schools would be severely understaffed and facilities would fall into a state of disrepair.

Given the existing demand on the charity's resources and the amount of work still required in some of our oldest partner schools to equip them with facilities that have become part of the AP 'model school' and to bring them up to the same standard as our more recent partner schools, the Trustees have resolved that for the time-being the charity will continue to focus its efforts only on its existing network and consequently there are no plans to extend our support to other neighbouring schools, in any shape or form.

Fund generation

Income continued to be generated from a broad and diverse range of sources and reached a record high £227,133 (2021/22: £212,329) in the year. There was no change to the charity's methods and process for raising funds in the year which is reflected by the almost identical expenditure on fundraising and marketing activities of £14,021 compared to the previous year (£14,149). Costs incurred included monthly consultancy, management and platform fees, hire of donation terminals, and other fundraising materials and resources.



For a second year in a row income was inflated by an unusually large and/or unexpected one-off donation, this time of £100,000 from our long-time corporate partner *Aspect Capital*, following £50,000 received from *Childrensalon* in 2021/22. A further donation of £12,814 from *Childrensalon* in 2022/23 meant that income from these two donors alone accounted for 50% of total income in the year.

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Other notable income and revenue generating activities in the year included:

- Our [sixth annual Christmas Carol Service](#) which raised around £2,900 after costs plus £1,840 in associated donations.
- Donations totalling £5,188 (excluding JustGiving fees and Gift Aid) raised by nine-year-old Freya Hyslop who undertook a week-long 100km walk to school challenge.
- A 15th birthday Prize Draw which generated £700 (net).
- Around £3,200 raised by pupils at Hilden Grange School from a walking challenge that concluded our charity of the year partnership for the 2021/22 academic year.
- £15,000 raised from the BigGive Christmas Challenge 2022 including from donations and matching funds from funders.
- Donations from long-term partners and supporters Artisans & Adventurers (£1,053), Hazel's Footprints Trust (£6,500), Hugh Symons Charitable Trust (£5,000), Mageni Trust (£2,500), Souter Charitable Trust (£5,000) and Ratanben Zaverchand Kara Foundation (£11,000).

The Trustees would like to place on record their sincere thanks to all those who have supported the charity and its partner schools, their staff, and pupils in some capacity during the year.

The Trustees do not anticipate any material change to the charity's fundraising strategy in 2023/24 and remain confident that the charity has the necessary capacity and resources to raise sufficient funds to meet its obligations and commitments going forward. However, without similar size donations from either *Aspect Capital* or *Childrensalon* it is likely that income will fall back towards pre 2021/22 levels.

Financial Review

Summary of financial position

The Statement of Financial Activities to follow (page 8) shows the combined income and expenditure of the charity in the UK and Kenya for the year to 31st March 2023. The accounts show total income for the year of £227,133 (2021/22: £212,329) against expenditure of £176,199 (2021/22: £192,065), resulting in a surplus of £50,748 after accounting for exchange rate gains. The year closed with total funds of £145,707 of which £91,312 was held in restricted funds.

The relatively high level of funds is largely accounted for by two factors. Firstly, that two thirds of the charity's income was received in the final four months of the year and there had not been the opportunity to spend it before the year-end and secondly, that the figure includes funds that had been received in 2021/22 but set aside for expenditure in 2023/24.

It is anticipated that the charity will operate at a deficit for the 2023/24 financial year.

Reserves policy

It is our policy to maintain sufficient funds in reserve to enable core activities to continue over a period of 3 months should a shortfall in income occur and to take account of potential risks that may arise. The Trustees have determined this as approximately £9,000 for the forthcoming year.

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The charity held 'free' general funds of £54,395 at the year-end which is significantly above the Trustees' target. This was largely because two thirds of the charity's income of £227,133 was received in the final four months of the year and there had not been the opportunity to spend it before the year-end.

The Trustees believe that the scale of our current operations requires no change to the reserves policy.

Currency exchange

As in previous years, the charity used forward contracts to provide greater budgetary certainty and to mitigate against volatility in exchange rates. The Trustees had set the budgeted exchange rate for the year at 145KES:£1 based on a forward currency contract for KES15,000,000 at a rate of 145.15 with a value date of 17.02.2023 that was booked in February 2022. During the year, an additional forward contract for KES5,000,000 was booked at a rate of 145.5, resulting in an actual average exchange rate for the year of 145.19 (2021/22: 142.08).

The Trustees have set a budgeted exchange rate of 145 for the 2023/24 financial year having booked a forward contract for the period to the value of KES15,000,000 at a rate of 143.5.

Statement of Trustees' Responsibilities

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of the affairs of the charity at the end of the financial year and of its incoming resources and application of resources. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- make judgments 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 a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for maintaining proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and which enables them to ensure that the financial statements comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Risks & safeguarding

The trustees have identified and assessed the major risks to which the charity is exposed, including internal fraud, currency market volatility, loss of key individuals, and reliance on few funders. Systems, processes and measures have been established to mitigate those risks including robust financial record-keeping, the use of currency forwards, building the Trustees' working knowledge of the charity and a focus on diversifying income and increasing the level of unrestricted income.

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Trustees' Report for the Annual Accounts 2022-23

African Promise ensures statutory requirements concerning disclosure checks are met, maintains an up-to-date safeguarding policy and procedures, and provides safeguarding training to all staff and volunteers. There were no reported safeguarding incidents in the year.

Declaration

The Trustees' Report was approved by the Trustees and signed on their behalf by:

Trustee

Date

Christopher Ott

Chairman

Gary Shiels

Treasurer

African Promise

Statement of Financial Activities for the Annual Accounts 2022/23

		Unrestricted Funds 2023	Restricted Funds 2023	Total Funds 2023	Total Funds 2022
	Notes	£	£	£	£
Incoming resources	2				
<i>Incoming resources from generated funds</i>					
Voluntary income		174,297	47,830	222,127	204,916
Gift Aid & investment income	2	5,006	-	5,006	7,413
Total incoming resources		<u>179,303</u>	<u>47,830</u>	<u>227,133</u>	<u>212,329</u>
 Resources expended	 3				
Charitable activities		12,224	143,369	155,593	170,535
Costs of generating voluntary income		14,021	-	14,021	14,149
Governance & administration		6,505	-	6,505	7,381
Total resources expended		<u>32,750</u>	<u>143,369</u>	<u>176,119</u>	<u>192,065</u>
 Net income resources before transfers		146,553	(95,539)	51,014	20,264
Transfers		(125,791)	125,791	-	-
 Gains and (losses) on currency exchange	 6	(28)	(238)	(266)	2,209
Net movement in funds		<u>20,734</u>	<u>30,014</u>	<u>50,748</u>	<u>22,473</u>
Total funds brought forward		<u>33,661</u>	<u>61,298</u>	<u>94,959</u>	<u>72,486</u>
Total funds carried forward		<u><u>54,395</u></u>	<u><u>91,312</u></u>	<u><u>145,707</u></u>	<u><u>94,959</u></u>

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Balance Sheet for the Annual Accounts 2022/23

		Total Funds 2023	Total Funds 2022
	Notes	£	£
Fixed assets			
Current assets			
Debtors			
Cash at bank and in hand			
CAF Bank CAFCash account #00016284		145,068	77,268
Pounds sterling cash		145	95
Absa Bank account #0541079831		1,114	13,902
Absa Bank account #0541082433		1,125	4,386
Kenyan shilling in cash		976	1,109
Alpha FX account		5,379	-
Total current assets		<u>153,807</u>	<u>96,759</u>
Liabilities	7	(8,100)	(1,800)
Net assets		<u><u>145,707</u></u>	<u><u>94,959</u></u>
Funds of the charity	8		
General 'free' funds		54,395	33,661
Restricted funds		91,312	61,298
Total funds		<u><u>145,707</u></u>	<u><u>94,959</u></u>

The Accounts were approved by the trustees on _____
and signed on their behalf by:

Gary Shiels
Treasurer

African Promise

Notes to the Annual Accounts 2022/23

1. Accounting Policies

The principal accounting policies are summarised below. They have been applied consistently throughout the period.

a) Basis of accounting

The Accounts have been prepared under the historical cost convention, in accordance with applicable accounting standard and comply with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005).

b) Fund accounting

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity. Restricted funds are subjected to restrictions on their expenditure imposed by the donor.

c) Incoming resources

Income is recognised in the period in which the charity is entitled to receive it and when the income can be quantified with reasonable accuracy.

Grants are recognised when the charity becomes beneficially entitled to them. Investment income is included when receivable. Incoming resources from tax reclaims are included at the same time as the gift to which they relate.

d) Outgoing resources

The cost of charitable activities includes costs incurred by the charity in carrying out its activities and services. It includes costs directly attributed to those activities and a share of indirect costs necessary to support them.

Governance costs comprise the costs associated with meeting the constitutional and statutory requirements of the charity and include any costs associated with the preparation and examination of statutory accounts.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs which relate specifically to a particular activity are allocated wholly and directly, others are apportioned between different activities on an appropriate basis.

e) Foreign exchange

This includes any gain or loss arising on translating transactions carried out in Kenyan Shillings to GB Pounds and vice-versa. Transactions during the year are translated at an average exchange rate for the year and closing cash balances are translated at the year-end exchange rate.

f) Assets

Kenyan cash and bank balances are converted to GB Pounds using the exchange rate operative at the year-end date.

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Notes to the Annual Accounts 2022/23

2. Analysis of incoming resources

	Unrestricted Funds 2023 £	Restricted Funds 2023 £	Total Funds 2023 £	Total Funds 2022 £
Voluntary income				
Individual giving	35,897	10,949	46,846	41,211
Trusts & foundations	7,500	30,000	37,500	64,910
Corporate	116,570	705	117,275	71,459
Supporter/community fundraising	5,695	6,176	11,871	20,216
Events	7,614	-	7,614	6,499
Charities & partners (inc. Kids4Kenya)	1,021	-	1,021	622
	<u>174,297</u>	<u>47,830</u>	<u>222,127</u>	<u>204,916</u>
Investment & Gift Aid income				
Interest	146	-	146	-
Gift Aid	4,860	-	4,860	7,413
	<u>5,006</u>	<u>-</u>	<u>5,006</u>	<u>7,413</u>

3. Analysis of resources expended

	Charitable Activities 2023 £	Fundraising & marketing 2023 £	Gov. & admin 2023 £	Total Funds 2023 £	Total Funds 2022 £
Projects & programmes					
Infrastructure & buildings	52,263	-	-	52,263	71,908
Resources & equipment	4,366	-	-	4,366	16,711
Learning programmes	-	-	-	-	536
Teacher & support staff salaries	23,014	-	-	23,014	24,553
Feeding programme	54,473	-	-	54,473	35,451
Water supply	2,241	-	-	2,241	1,536
Support costs					
Staff costs	14,431	6,912	3,456	24,799	24,567
Travel, transport & accommodation	3,574	-	-	3,574	4,451
Office costs	1,231	-	971	2,202	2,513
Fundraising materials & services	-	2,161	-	2,161	2,164
Advertising, PR & website	-	1,641	-	1,641	1,696
Challenge events	-	-	-	-	660
Events	-	3,307	-	3,307	2,575
Bank charges	-	-	171	171	261
Regulatory & membership	-	-	107	107	663
Other	-	-	1,800	1,800	1,821
	<u>155,593</u>	<u>14,021</u>	<u>6,505</u>	<u>176,119</u>	<u>192,065</u>

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Notes to the Annual Accounts 2022/23

4. Support costs

Staff costs

Staff salaries are allocated 100% towards charitable activity for Kenya staff and 40% charitable activity, 40% fundraising and 20% administration for our Director's consultancy fees. All office and staff costs incurred in Kenya are allocated 100% towards charitable activities.

Fees for examination of the accounts

The independent examiner is charging a fee of £1,500 +VAT for their services.

5. Taxation

The charity is exempt from corporation tax on its charitable activities.

6. Gains and losses on currency exchange

	2023 £	2022 £
Opening cash and bank balances translated at closing rate for the previous year		
Kenyan shillings 2,755,451.55 @142.08	19,394	3,866
Income less expenditure for the year translated at average rate for the year		
KES (2,288,532) @ 145.19	(15,762)	15,699
Kenya expenditure at budgeted average rate less Kenya expenditure at actual average rate		
KES 17,043,932 @ 145.00 less KES 17,043,932 @ 145.19	(154)	(2,381)
Closing cash and bank balances translated at closing rate for the year		
Kenyan shillings 466,919.55 @ 145.19	(3,216)	(19,394)
	<u>266</u>	<u>(2,209)</u>

7. Liabilities

	2023 £	2022 £
Independent examiner fee (2022/23)	1,800	-
Independent examiner fee (2021/22)	1,800	1,800
Golf Day entry fees	4,500	-
	<u>8,100</u>	<u>1,800</u>

Details

Golf Day entry fees

Entry fees and sponsorship for our inaugural Golf Day due to be held on 11 May 2023 were held in a debtors account until completion of the event.

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Notes to the Annual Accounts 2022/23

8. Movement in funds

	Balance at 01.04.22 £	Incoming Resources £	Transfers £	Outgoing resources £	Losses on Currency £	Balance at 31.03.23 £
Restricted funds						
Projects & programme management	144	-	19,088	19,205	26	1
Feeding Minds	48,324	23,566	57,019	54,473	69	74,367
Teacher salaries	333	353	22,380	23,014	52	-
Toilets4All	30	236	4,749	5,007	8	-
Water4Schools	1,110	-	2,365	3,467	8	-
Ngambenyi Primary School	3,530	6,500	(4,236)	868	2	4,924
Kiteghe Primary School	-	3,070	(1,601)	-	-	1,469
Mkamenyi	(3,411)	1,000	33,141	30,674	58	(2)
Mkamenyi (furniture)	98	-	-	-	-	98
Mkamenyi (rainwater)	-	10,000	-	4,620	10	5,370
WASH	11,144	-	(7,114)	-	-	4,030
Textbooks4All	(4)	-	-	-	-	(4)
Right2Play	-	3,105	-	2,041	5	1,059
	<u>61,298</u>	<u>47,830</u>	<u>125,791</u>	<u>143,369</u>	<u>238</u>	<u>91,312</u>
Unrestricted funds						
General funds	33,661	179,303	(125,791)	32,750	28	54,395
	<u>33,661</u>	<u>179,303</u>	<u>(125,791)</u>	<u>32,750</u>	<u>28</u>	<u>54,395</u>
	<u>94,959</u>	<u>227,133</u>	<u>0</u>	<u>176,119</u>	<u>266</u>	<u>145,707</u>

Details of selected restricted funds

Feeding Minds

Incoming funds included proceeds of £14,719 from the BigGive Christmas Challenge 2022 and a grant of £2,500 from The Souter Charitable Trust.

WASH

Transfers of £4,749 and £2,365 were made to the Toilets4All and Water4Schools funds respectively to cover the cost of Water, Sanitation and Hygiene (WASH) related projects.

African Promise

Independent Examiner's Report for the Annual Accounts 2022-23

I report to the trustees on my examination of the accounts of African Promise (the Trust) for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity trustees of the Trust 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 Trust'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 the Trust 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 applicable 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.

Name: Ryan Evans

Relevant professional qualification or body: FCA qualified - Member of the Institute of Chartered Accountants in England and Wales (ICAEW)

Address: Cadence Accounting, Suite 3, 157 Station Road East, Oxted, Surrey, RH8 0QE

Date: