

Charity registration number 1123529

Company registration number 06453871 (England and Wales)

AFRICAN IMPACT FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

AFRICAN IMPACT FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

G. Bows
T. Almoayed
R.L.G. Sheldrick
J. Scott
C.P. Seaman (Appointed 26 July 2022)
S.J. Wilson (Appointed 8 November 2022)
D. Cutbill (Resigned 30 June 2022)
L. Ngidiwe

Secretary

R.L.G. Sheldrick

Executive Director

M. Proctor

Charity number

1123529

Company number

06453871

Registered office

20 Chapmore End
Ware
Hertfordshire
SG12 0HF

Independent examiner

HB Accountants
28 Plumpton House
Plumpton Road
Hoddesdon
Hertfordshire
EN11 0LB

AFRICAN IMPACT FOUNDATION

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AFRICAN IMPACT FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

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

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Foundation's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The charity's objects are:

1. To promote for the benefit of the public in Africa the conservation, protection and improvement of the physical and natural environment.
2. To promote sustainable development for the benefit of the public in Africa by:
 - a) the preservation, conservation and protection of the environment and the prudent use of resources; and
 - (b) the relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities. Sustainable development means development which meets the needs of the present without compromising the ability of future generations to meet their own needs.

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

Achievements and performance

In 2022, the African Impact Foundation continued its mission: 'To equip young people with the education and skills to move out of poverty.' Our holistic approach, with our programmes focusing on education, gender equality, wellness, and livelihoods, gives young people in Livingstone, Zambia, more 'Pathways out of Poverty.'

In our quest to provide access to continued education, resources and opportunities to create a more sustainable pathway out of poverty for youth, we implemented a new youth-led programme, a reproductive health programme, and a learnership initiative. We continued fundraising for building a Youth Community Centre while working with a new architect partner, Urban Think Tank, to develop the schematic designs to show our vision to potential funders.

The COVID-19 pandemic's effects are still very evident in Livingstone. We concentrated our efforts on assessing some of the key challenges faced by youth by collaborating with the Ministry of Education and the district health office of the Ministry of Health to implement our programmes successfully. These collaborations are essential for the Foundation to successfully run these programmes in the communities and schools we support. These collaborations also play a critical role in identifying catchment areas where there are few or no opportunities for youth to participate in our programmes and where there are increased teenage pregnancies and high student drop-out rates in community schools. As we developed these new programmes, we aimed to spread our reach and ensure youth and community members could access our workshops. One such programme, focusing on reproductive health and preventing early/unwanted pregnancies, is the LETS programme that we trialled in different communities within Livingstone.

Expanding our programmes to more schools and communities in Livingstone has contributed to our Foundation's growth. Our work in different communities has given us insight into the challenges our beneficiaries face daily. This expansion has allowed us to create more robust programmes that support youth and communities.

Due to the pandemic, we remain inactive in South Africa and Tanzania.

AFRICAN IMPACT FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

ZAMBIA - Livingstone

EDUCATION

Education Spaces: We help community schools by providing education supplies and renovating and building educational facilities to ensure a safe environment for children to learn and receive a good quality education.

In rural areas of Zambia, many schools suffer from a severe shortage of classrooms, educational resources, and formally trained teachers. This results in a 'hot seating system' where children have the option of only attending school for part of the day, either in the morning or in the afternoon. In 2022, the Zambian authorities introduced free education to all Livingstone community schools, which resulted in more children attending school. A consequence of this at Libuyu Community School, where we'd previously improved their facilities by building new classrooms, was that the number of their students increased from 570 to 720. This increase brought back some of the challenges the school had previously encountered in 2020, such as high teacher-to-student class ratios (1:80) and a 'hot seating system.' Thus, our goal in 2023 is to raise funds for the Libuyu Community School to build an additional classroom block to alleviate overcrowding and improve the teacher-to-student ratio, to build more restrooms, and to build a wall around the perimeter of the school to improve its security.

Sponsor a Child: The Sponsor a Child programme provides school sponsorship for children between kindergarten and Grade 12. In 2022, this programme enabled 203 children to attend 28 schools within and outside Livingstone. The funds donated to sponsorships are used for school fees, uniforms and supplies, and supporting children attending and participating in extra-curricular programmes.

Adult education: Through our sponsorship programme, we assist adult learners in completing their education and obtaining a matric certificate. In this way, they may access greater opportunities, improve the quality of life for themselves and their families, and advocate for education's importance to youth and other community members. We have continued to assist six women who started in Grade 8 in 2021, they're now in Grade 10, with school fees, textbooks, and supplies. All the women have been doing well in school, achieving good grades, and have dedicated themselves to completing their studies through this programme.

GENDER EQUALITY

The Girl Impact (TGI) programme: TGI programme is a collection of gender equality programmes that educate and empower girls and women through six pillars: education, health, early pregnancy, safety, making a living, and self-confidence. We also offer programmes for boys and men to reshape gender perspectives, change gender norms, and achieve increased gender equality. TGI programme is implemented across different locations in Livingstone. Workshops with youth are run in schools, whilst workshops with women are hosted at a local community centre.

In 2022, 102 beneficiaries (55 girls, 38 boys, and 9 women) participated in various TGI workshops. They learned about education, gender norms, hypermasculinity, puberty, sexual and reproductive rights, public speaking and active listening, gender-based violence, mental health and drugs, human rights training, and bullying, while the women's group received an extended curriculum including financial literacy and basic trading skills. Additionally, we supported a feeding initiative for TGI youth workshops, as most of these took place after a long day at school. We provided meals to encourage participation, alleviate hunger and keep participants engaged, feeding 93 beneficiaries throughout 2022.

LETS programme: This programme is an expansion of our gender equality activities. In the community of Livingstone, we identified a gap in available and accessible sexual reproductive health information. The LETS programme is designed to educate adults and adolescents in local communities on sexual reproductive health and enable them to understand the tools they can use to prevent unplanned pregnancies. Using the LETS bracelets (a mnemonic device, a string of 32 beads in which each bead represents a day of the menstrual cycle), participants are educated on monitoring and tracking their menstrual cycle, enabling them to make informed decisions. Two of our implementation coordinators completed training with the LETS organisation to allow us to deliver this programme.

In August 2022, we launched our trial LETS programme. We worked with the Livingstone district health office under the Ministry of Health, where this programme was implemented in communities with high teenage pregnancy rates and unplanned/unwanted pregnancies among adults. This trial indicated that community members do not have sufficient sexual reproductive health knowledge, mental wellness support, or tools to prevent early and unplanned pregnancies. In 2022, 77 participants graduated with certification from our LETS training course.

AFRICAN IMPACT FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

YOUTH WELLBEING

Youth Insaka: The overall goal of our Youth Insaka programme is to promote the holistic development of adolescents and young adults following our four pillars: education, gender equality, wellness, and livelihoods. Insaka, which means "meeting place" in Bemba, a Zambian language, symbolises a safe and inclusive space for young people to gather, learn and grow.

In January 2022, we launched our new Youth Insaka programme. Since its launch, we have partnered with 6 schools in the Livingstone District, reaching over 320 beneficiaries through our Youth Insaka workshops. This programme helps young people make informed decisions about their long-term health and wellness practices.

An intervention initiated under our Youth Insaka programme is the "Peer Ambassador training initiative." Our peer ambassadors are selected from our partner schools and trained to lead workshops and support their peers. These ambassadors play a pivotal role in educating and supporting young people in the community. We trained a total of 24 peer ambassadors in 2022.

LIVELIHOODS

Sponsor a Future: Sponsor a Future allows our Sponsor a Child beneficiaries to continue their studies after Grade 12 by sponsoring them to go to university, college, or vocational training institutions, both locally and internationally. Children who graduate from Sponsor a Child are supported in applying to higher education and pursuing vocational and leadership opportunities. Our programme also covers their living costs, tools, textbooks, and semester registration fees for children accepted to higher education institutions.

As part of our Sponsor a Future programme, we supported 7 young people (5 girls and 2 boys) to attend university in 2021. In 2022, our programme had 8 learners, with 1 student graduating as a firefighter. In addition, in 2023, we will support 6 more students, with 5 joining local institutes and 1 obtaining a scholarship to study engineering at Delhi Technology University of Engineering.

Work experience initiative: This programme aims to provide Sponsor a Child graduates with work experience while searching for employment opportunities or waiting for tertiary education acceptance. Students participating in this initiative will gain exposure to the different areas of a non-profit organisation by working closely with our Foundation's team in Livingstone. In 2022, 2 students joined our team and trained to work as mentors in our Youth Insaka programme, working closely with our coordinators and learning how our projects are planned, implemented, and run. Through our support, these students have obtained sponsorships and acceptance at university and are supported within our Sponsor a Future programme in 2023.

YOUTH COMMUNITY CENTRE

Our goal is to build a Youth Community Centre in Livingstone, which will allow us to operate all our programmes in one location, enhancing our existing workshops and supporting additional community members from nearby areas. The Youth Community Centre will provide a safe place for young people, especially girls, to access resources dedicated to creating a brighter future for them. In 2020, we started purchasing the land for our Youth Centre, and in early 2022, we obtained the land title deeds. Immediately, we began developing the land, clearing it in preparation for the Youth Community Centre build. We consulted local and international architects with a schematic design for our Youth Community Centre concept developed in partnership with an architectural design firm, Urban Think Tank's New York office. We continue to work on the design and are fundraising to build the first phase to get programmes and activities started. The first phase will consist of two toilets, a shower, a caretaker cottage, and a sheltered workshop area.

Financial review

In 2022, donations increased from £71,704 to £99,641. Internship income was down from £22,098 to £15,251. Auction income was nil, versus £2,026, last year. Fundraising expenses, excluding salaries, in 2021 were down from £27,759 to £11,815. Project costs increased to £62,749 from £46,812 as activities resumed after the pandemic. Donations to The Happy Africa Foundation were £24,304. Staff costs increased to £34,732 from £31,753. Other expenses were slightly down. As a result, for 2022 there was a deficit on unrestricted funds of £22,490 and a deficit on restricted funds of £10,183. At the year-end total funds were £21,352 as compared with £54,025 at the end of 2021.

AFRICAN IMPACT FOUNDATION

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

It is the policy of the Foundation that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Foundation's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

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

Structure, governance and management

The Foundation, which is registered with the Charity Commission under number 1123529 and it is also a registered company, limited by guarantee, under the Companies Act 2006 under number 06453871. It is established under its Memorandum and Articles of Association dated 14 December 2007, as amended by a resolution passed on 1 April 2008 and also on 30 August 2022.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

G. Bows

D. Cutbill

(Resigned 30 June 2022)

L. Ngidiwe

(Resigned 24 August 2023)

T. Almoayed

R.L.G. Sheldrick

J. Scott

C.P. Seaman

(Appointed 26 July 2022)

S.J. Wilson

(Appointed 8 November 2022)

Trustees are appointed by an ordinary resolution and are appointed by the existing trustees. The term of office for trustees is three years. A trustee shall be eligible for re-election by an ordinary resolution of the board for a maximum of two further terms of three years. Trustees shall not number less than three but are not subject to a maximum.

The organisational and decision making structure of the Foundation is a fairly flat one. This provides for efficient decision making capabilities with a quick turnaround time on the ground which is reflected in the tangible results of the Foundation's achievements. There are four trustees who are required to provide approval on any decision which exceeds a particular value. The Executive Director is responsible and accountable to the trustees for the compliance, daily management and function of the Foundation. The Executive Director has a regional team of representatives who carry out the daily groundwork. They work within set objectives which are reviewed and measured from a sustainability and performance point of view every quarter. This structure is currently working well for the Foundation.

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



R.L.G. Sheldrick

Trustee

Dated: 19/12/23

AFRICAN IMPACT FOUNDATION

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

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

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 Foundation and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 Foundation will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Foundation 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 Foundation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AFRICAN IMPACT FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF AFRICAN IMPACT FOUNDATION

I report to the trustees on my examination of the financial statements of African Impact Foundation (the Foundation) for the year ended 31 December 2022.

Responsibilities and basis of report

As the trustees of the Foundation (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the Foundation are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Foundation's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no 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 Foundation as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
- 4 the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 financial statements to be reached.



HB Accountants

28 Plumpton House
Plumpton Road
Hoddesdon
Hertfordshire
EN11 0LB

Dated: 19/02/23

AFRICAN IMPACT FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2022

Current financial year

| | | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ | Total 2021 £ |
|--|-------|------------------------------------|----------------------------------|--------------------|--------------------|
| | Notes | | | | |
| Income from: | | | | | |
| Donations and legacies | 3 | 62,326 | 52,566 | 114,892 | 93,302 |
| Other trading activities | 4 | - | - | - | 2,026 |
| Total income | | <u>62,326</u> | <u>52,566</u> | <u>114,892</u> | <u>95,328</u> |
| Expenditure on: | | | | | |
| Raising funds | 5 | <u>11,815</u> | <u>-</u> | <u>11,815</u> | <u>27,759</u> |
| Charitable activities | 6 | <u>73,001</u> | <u>62,749</u> | <u>135,750</u> | <u>105,382</u> |
| Total resources expended | | <u>84,816</u> | <u>62,749</u> | <u>147,565</u> | <u>133,141</u> |
| Net expenditure for the year/ Net movement in funds | | (22,490) | (10,183) | (32,673) | (37,813) |
| Fund balances at 1 January 2022 | | <u>7,911</u> | <u>46,114</u> | <u>54,025</u> | <u>91,838</u> |
| Fund balances at 31 December 2022 | | <u>(14,579)</u> | <u>35,931</u> | <u>21,352</u> | <u>54,025</u> |

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

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

AFRICAN IMPACT FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

Prior financial year

| | | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total 2021 £ |
|--|--------------|--|--|-----------------------------|
| | Notes | | | |
| <u>Income from:</u> | | | | |
| Donations and legacies | 3 | 42,723 | 50,579 | 93,302 |
| Other trading activities | 4 | 2,026 | - | 2,026 |
| Total income | | <u>44,749</u> | <u>50,579</u> | <u>95,328</u> |
| <u>Expenditure on:</u> | | | | |
| Raising funds | 5 | <u>27,759</u> | <u>-</u> | <u>27,759</u> |
| Charitable activities | 6 | <u>26,817</u> | <u>78,565</u> | <u>105,382</u> |
| Total resources expended | | <u>54,576</u> | <u>78,565</u> | <u>133,141</u> |
| Net expenditure for the year/ Net movement in funds | | (9,827) | (27,986) | (37,813) |
| Fund balances at 1 January 2021 | | <u>17,738</u> | <u>74,100</u> | <u>91,838</u> |
| Fund balances at 31 December 2021 | | <u><u>7,911</u></u> | <u><u>46,114</u></u> | <u><u>54,025</u></u> |

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

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

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

AFRICAN IMPACT FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2022

| | Notes | 2022 £ | £ | 2021 £ | £ |
|--|-------|-----------|----------|-----------|---------|
| Fixed assets | | | | | |
| Tangible assets | 12 | | - | | 1,042 |
| Current assets | | | | | |
| Debtors | 13 | - | | 3,504 | |
| Cash at bank and in hand | | 36,755 | | 62,579 | |
| | | 36,755 | | 66,083 | |
| Creditors: amounts falling due within one year | 14 | 9,596 | | 5,600 | |
| Net current assets | | | 27,159 | | 60,483 |
| Total assets less current liabilities | | | 27,159 | | 61,525 |
| Creditors: amounts falling due after more than one year | 15 | | (5,807) | | (7,500) |
| Net assets | | | 21,352 | | 54,025 |
| The funds of the Foundation | | | | | |
| Restricted income funds | 16 | | 35,931 | | 46,114 |
| Unrestricted funds | | | (14,579) | | 7,911 |
| | | | 21,352 | | 54,025 |

The Foundation is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022.

The trustees acknowledge their responsibilities for ensuring that the Foundation keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the Foundation as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the Foundation.

The members have not required the Foundation to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 19/12/23

R.L.G. Sheldrick

R.L.G. Sheldrick

Trustee

Company registration number 06453871 (England and Wales)

AFRICAN IMPACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

African Impact Foundation is a private company limited by guarantee incorporated in England and Wales. The registered office is 20 Chapmore End, Ware, Hertfordshire, SG12 0HF.

Every member of the company undertakes to contribute in a winding up a sum not exceeding £10 whilst they are a member, or within one year after ceasing to be a member, towards debts and liabilities contracted before ceasing to be a member.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Foundation's articles of association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The Foundation is a Public Benefit Entity as defined by FRS 102.

The Foundation has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Foundation. 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.

1.2 Going concern

These financial statements are prepared on the going concern basis. The trustees have a reasonable expectation that the Foundation will continue in operational existence for the foreseeable future, however, the trustees are aware of certain material uncertainties which may cause doubt on the Foundation's ability to continue as a going concern.

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Foundation.

1.4 Income

Income is recognised when the Foundation 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 Foundation 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 is recognised at the time of the donation.

1.5 Expenditure

All expenditure is accounted for on an accruals basis and has been categorised under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as an expense against the activity for which the expenditure arose.

AFRICAN IMPACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (continued)

1.6 Tangible fixed assets

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

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

| | |
|----------------|----------------------|
| Motor vehicles | 25% reducing balance |
|----------------|----------------------|

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

1.7 Impairment of fixed assets

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

1.8 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.

1.9 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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.

AFRICAN IMPACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (continued)

Derecognition of financial liabilities

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

1.10 Taxation

The charity is an exempt charity within the meaning of Schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes.

1.11 Employee benefits

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

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

1.12 Foreign exchange

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

2 Critical accounting estimates and judgements

In the application of the Foundation's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations

| | Unrestricted funds | Restricted funds | Total 2022 | Total 2021 |
|-------------------------------------|-----------------------|---------------------|----------------|---------------|
| | £ | £ | £ | £ |
| Donations | 47,075 | 52,566 | 99,641 | 71,204 |
| Internship income | 15,251 | - | 15,251 | 22,098 |
| | <u>62,326</u> | <u>52,566</u> | <u>114,892</u> | <u>93,302</u> |
| For the year ended 31 December 2021 | <u>42,723</u> | <u>50,579</u> | | <u>93,302</u> |

AFRICAN IMPACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Fundraising income

| | Total | Unrestricted funds |
|----------------|-------|--------------------|
| | 2022 | 2021 |
| | £ | £ |
| Auction income | - | 2,026 |

5 Raising funds

| | Unrestricted funds | Unrestricted funds |
|----------------------------------|--------------------|--------------------|
| | 2022 | 2021 |
| | £ | £ |
| <u>Fundraising and publicity</u> | | |
| Staging fundraising events | 11,815 | 879 |
| Cost of auction item | - | 756 |
| Sustainability staff costs | - | 26,124 |
| | 11,815 | 27,759 |

6 Charitable activities

| | 2022 | 2021 |
|--|---------|---------|
| | £ | £ |
| Staff costs | 34,732 | 31,753 |
| Depreciation and impairment | - | 347 |
| Project costs | 62,749 | 46,812 |
| Foreign exchange (gains)/losses | - | 904 |
| Travel | 656 | - |
| Marketing | 4,026 | 1,307 |
| Interns | 2,238 | 3,678 |
| Bank charges | 644 | 388 |
| Accountancy | 718 | 533 |
| IT expenses | - | 2,704 |
| Training | - | 1,163 |
| General expenses | 2,083 | 534 |
| | 107,846 | 90,123 |
| Grant funding of activities (see note 7) | 24,304 | - |
| Share of governance costs (see note 8) | 3,600 | 15,259 |
| | 135,750 | 105,382 |

7 Grants payable

All of the grants were paid to The Happy Africa Foundation South Africa and The Happy Africa Foundation Zambia.

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AFRICAN IMPACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Support and Governance costs

| | Support costs | Governance costs | 2022 | Support costs | Governance costs | 2021 |
|--|---------------|------------------|--------------|---------------|------------------|---------------|
| | £ | £ | £ | £ | £ | £ |
| Staff costs | - | - | - | - | 11,659 | 11,659 |
| Accountancy | - | 3,600 | 3,600 | - | 3,600 | 3,600 |
| | <u>-</u> | <u>3,600</u> | <u>3,600</u> | <u>-</u> | <u>15,259</u> | <u>15,259</u> |
| Analysed between Charitable activities | - | 3,600 | 3,600 | - | 15,259 | 15,259 |
| | <u>-</u> | <u>3,600</u> | <u>3,600</u> | <u>-</u> | <u>15,259</u> | <u>15,259</u> |

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the Foundation during the year.

10 Employees

The average monthly number of employees during the year was:

| | 2022 Number | 2021 Number |
|-------------------------|----------------|----------------|
| | 2 | 10 |
| | <u>2</u> | <u>10</u> |
| Employment costs | 2022 | 2021 |
| | £ | £ |
| Wages and salaries | 34,732 | 69,536 |
| | <u>34,732</u> | <u>69,536</u> |

There were no employees whose annual remuneration was more than £60,000 both this year and last year.

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

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

AFRICAN IMPACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

12 Tangible fixed assets

| | Motor vehicles |
|------------------------------------|-------------------|
| | £ |
| At 1 January 2022 | 1,852 |
| Disposals | (1,852) |
| | <u> </u> |
| At 1 January 2022 | 810 |
| Eliminated in respect of disposals | (810) |
| | <u> </u> |
| Carrying amount | |
| At 31 December 2022 | - |
| | <u> </u> |
| At 31 December 2021 | 1,042 |
| | <u> </u> |

13 Debtors

| | 2022 | 2021 |
|---|-------------------|-------------------|
| | £ | £ |
| Amounts falling due within one year: | | |
| Prepayments and accrued income | - | 3,504 |
| | <u> </u> | <u> </u> |

14 Creditors: amounts falling due within one year

| | 2022 | 2021 |
|------------------------------|-------------------|-------------------|
| | £ | £ |
| Notes | | |
| Bank loans | 2,396 | 2,000 |
| Accruals and deferred income | 7,200 | 3,600 |
| | <u> </u> | <u> </u> |
| | 9,596 | 5,600 |
| | <u> </u> | <u> </u> |

15 Creditors: amounts falling due after more than one year

| | 2022 | 2021 |
|--------------|-------------------|-------------------|
| | £ | £ |
| Notes | | |
| Bank loans | 5,807 | 7,500 |
| | <u> </u> | <u> </u> |

The bounce back loan was drawn down on 16 July 2020. Repayments commence after one year followed by a five year repayment term. The loan is unsecured and interest is payable thereon at 2.5%.

AFRICAN IMPACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Restricted funds

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

| | At 1 January 2022 £ | Incoming resources £ | Resources expended £ | Transfers £ | At 31 December 2022 £ |
|-----------------------------|---------------------------|----------------------------|----------------------------|----------------|-----------------------------|
| South Africa: Kruger | 2,137 | - | - | (2,137) | - |
| Zambia: Livingstone | 24,415 | - | - | (24,415) | - |
| Zambia: Sponsor A Child | 17,887 | - | - | (17,887) | - |
| Tanzania: Moshi | 1,137 | - | - | (1,137) | - |
| Girl Impact | 538 | - | - | (538) | - |
| The Happy Africa Foundation | - | 52,566 | (62,749) | 46,114 | 35,931 |
| | <u>46,114</u> | <u>52,566</u> | <u>(62,749)</u> | <u>-</u> | <u>35,931</u> |

| Previous year: | At 1 January 2021 £ | Incoming resources £ | Resources expended £ | Transfers £ | At 31 December 2021 £ |
|---|---------------------------|----------------------------|----------------------------|----------------|-----------------------------|
| South Africa: Cape Town | 9,826 | 47 | (533) | (9,340) | - |
| South Africa: St. Lucia | 6,405 | - | (431) | (5,974) | - |
| South Africa: Kruger | 11,794 | 92 | (9,517) | (232) | 2,137 |
| Zambia: Livingstone | 21,897 | 10,079 | (12,644) | 5,083 | 24,415 |
| Zambia: Sponsor A Child | 15,639 | 29,618 | (26,330) | (1,040) | 17,887 |
| Tanzania: Moshi | 3,060 | 39 | (2,821) | (278) | - |
| Tanzania: Zanzibar | 2,504 | 392 | (74) | (1,685) | 1,137 |
| Kenya: Masai Mara | 93 | - | - | (93) | - |
| Other | 60 | - | (60) | - | - |
| Girl Impact | 2,822 | 380 | - | (2,664) | 538 |
| Programme development and management | - | 9,932 | (26,155) | 16,223 | - |
| | <u>74,100</u> | <u>50,579</u> | <u>(78,565)</u> | <u>-</u> | <u>46,114</u> |

17 Unrestricted funds

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

| | At 1 January 2022 £ | Incoming resources £ | Resources expended £ | At 31 December 2022 £ |
|---------------|---------------------------|----------------------------|----------------------------|-----------------------------|
| General funds | <u>7,911</u> | <u>62,326</u> | <u>(84,816)</u> | <u>(14,579)</u> |

AFRICAN IMPACT FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

17 Unrestricted funds (continued)

| Previous year: | At 1 January 2021 | Incoming resources | Resources expended | At 31 December 2021 |
|----------------|----------------------|-----------------------|-----------------------|------------------------|
| | £ | £ | £ | £ |
| General funds | 17,738 | 44,749 | (54,576) | 7,911 |

18 Analysis of net assets between funds

| | Unrestricted funds 2022 £ | Restricted funds 2022 £ | Total 2022 £ |
|--|------------------------------------|----------------------------------|--------------------|
| Fund balances at 31 December 2022 are represented by: | | | |
| Current assets/(liabilities) | (8,772) | 35,931 | 27,159 |
| Long term liabilities | (5,807) | - | (5,807) |
| | <u>(14,579)</u> | <u>35,931</u> | <u>21,352</u> |
| | | | |
| | Unrestricted funds 2021 £ | Restricted funds 2021 £ | Total 2021 £ |
| Fund balances at 31 December 2021 are represented by: | | | |
| Tangible assets | 1,042 | - | 1,042 |
| Current assets/(liabilities) | 14,369 | 46,114 | 60,483 |
| Long term liabilities | (7,500) | - | (7,500) |
| | <u>7,911</u> | <u>46,114</u> | <u>54,025</u> |

19 Related party transactions

There are no further related party transactions to disclose in respect of either this year or last year.