

Partner Africa  
(A company limited by guarantee)

Report and Financial Statements  
for the financial year ended  
31 December 2020

*COMPANY NUMBER: 7770647*  
*CHARITY NUMBER: 1144815*

**PARTNER AFRICA**  
**(A company limited by guarantee)**

**REPORTS AND FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

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**PARTNER AFRICA**  
**(A company limited by guarantee)**

**TRUSTEES AND OTHER INFORMATION**

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**TRUSTEES**

Mr. Martin Ryan (Chair)  
Mr. David Governey  
Ms. Catherine Fitzgibbon  
Ms. Winifred Johansen (appointed 10<sup>th</sup> August 2020)

**SECRETARY**

Mr. Malachy Cardiff (resigned 10<sup>th</sup> April 2020)  
Mr. Peter McDevitt (appointed 10<sup>th</sup> April 2020)

**REGISTERED OFFICE**

Second Floor  
Westgate House  
Dickens Court  
Hills Lane  
Shrewsbury  
SY1 1QU

**COMPANY NUMBER**

7770647

**CHARITY NUMBER**

CHY 1144815

**AUDITORS**

Deloitte Ireland LLP  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2  
Ireland

**BANKERS**

Barclays Bank Plc  
P.O Box 89  
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SY1 2WQ

**SOLICITORS**

Withers LLP  
16 Old Bailey  
London  
EC4M 3TEG

## **PARTNER AFRICA (A company limited by guarantee)**

### **ANNUAL REPORT OF THE TRUSTEES FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

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The Trustees, who are also directors of the charitable company for the purposes of the Companies Act, present their annual report (including audited financial statements) of Partner Africa (the company) for the year ended 31 December 2020. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2019).

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **a. CONSTITUTION**

Partner Africa is a company limited by guarantee, not having a share capital, incorporated under the Companies Act 1985 (registered number 7770647). It was incorporated on 12<sup>th</sup> September 2011. The company is registered as a charity with the Charity Commission for England and Wales (Charity Number 1144815).

Partner Africa's purpose is to improve the working conditions and livelihoods of workers and producers in African supply chains. Through its ethical auditing and responsible business advisory services, it positively engages with clients to identify, address and report on the salient environmental, social and governance (ESG) risks in their organisation and supply chains and adopt responsible business practices. Partner Africa's work is guided by the United Nations Guiding Principles on Business and Human Rights (UNGPs) and other international best practice standards. It works with companies, communities and governments to achieve its mission. Partner Africa has expertise in a number of industries, including agribusiness, apparel, manufacturing, services and extractives.

Partner Africa does not have a shareholding structure, and its sole member is Gorta (trading as Self Help Africa), a company limited by guarantee, incorporated in Ireland (company number 105601) with registered offices at Kingsbridge House, 17-22 Parkgate Street, Dublin 8, and registered as a charity (charity number CHY6663).

### **b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The board is empowered to appoint new trustees to its ranks. As the sole member, Gorta Self Help Africa must ratify appointments.

### **c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

There is a Trustee Induction Policy and Programme in place to enable all Trustees to familiarise themselves with their duties and responsibilities, the Partner Africa governance framework and Partner Africa's work overseas. Any relevant training requirements of trustees are facilitated by the organisation.

### **d. ORGANISATIONAL STRUCTURE AND DECISION MAKING**

Partner Africa has registered branches in England, Kenya and South Africa. Its ethical audit hub is based in Cape Town, its responsible business advisory hub is based in London, England and its operational hub in Nairobi, Kenya.

The trustees have oversight of the company's activities and financial position. The management team deals with the day-to-day operation of the company.

### **e. RISK MANAGEMENT**

The trustees have responsibility for, and are aware of the risks associated with, the operating activities of Partner Africa. They are confident that adequate systems of internal control are in place and that these controls provide reasonable assurance against such risks.

## **COVID-19**

The COVID-19 pandemic, which has led to a worldwide slowdown in economic activity, had a significant impact on the organisation's operations with effect from mid-March 2020. Management set to work immediately to assess the various operational and financial scenarios that could arise and drew up plans to mitigate the potential negative impact. Revised budgets and cash flow projections were prepared with a view to reducing costs to the minimum and investigating potential alternative income streams. Through consolidating its team and operations costs Partner Africa reduced its overhead budget in 2020 by approximately 40%.

Management engaged with clients to develop a new virtual ethical assessment tool, virtual training programmes and also identified new donor opportunities for its work. The Board are deeply appreciative of the sacrifices made by staff at this difficult time. Discussions with suppliers, service providers and landlords also led to cost savings – the Board thanks those whose support for our work in this area has helped us maintain our ability to sustain our work in Africa. We are confident that the organisation will come through the crisis intact and in a position to continue its valuable work.

## **OBJECTIVES AND ACTIVITIES**

### **OBJECTIVES**

Partner Africa is a pioneer in the field of ethical and socially responsible business practice that delivers high quality and innovative ethical audit and responsible business advisory services to clients.

Partner Africa is driven by a social mission to improve the livelihoods of workers and producers, while assisting access to international supply chains and bridging the skills and standards gap between Africa and the international community.

### **ACTIVITIES**

#### **1. Supporting clients identify the salient labour issues in their supply chains**

##### **• Ethical Audits & Assessments**

Partner Africa focuses its work on conducting high quality, worker- centred ethical audits in order to assess the working conditions in factories and farms throughout Africa and identify the salient labour issues for its clients.

All ethical audits involve assessing suppliers against the ILO conventions: - child labour will not be used; freedom of association; no excessive working hours, no discrimination, employment is freely chosen, workers are paid a minimum/living wage; working condition are safe & hygienic, regular employment is provided and no harsh or inhumane treatment is allowed

Partner Africa also undertakes Small Producer Assessments to assess the ethical standards of small producers feeding into export supply chains. Applying codes of conduct to informal and often family run businesses is a complex process. We seek to establish the characteristics, needs and priorities of small producers and their workers, and outline recommendations to maintain standards required as well as to help improve livelihoods.

## **2. Addressing the root causes through providing training and advisory services to clients**

Partner Africa takes a 'positive engagement' approach to its work and is committed to forming partnerships with its clients to address the root causes of the salient labour issues identified during ethical audit. With our Pan-Africa reach and experienced local teams in 23 countries we can deliver a wide range of high-end advisory services to international brands and retailers, as well as governments and NGOs.

Our advisory services allow clients to draw upon our knowledge of local capabilities, labour codes and culture to develop programmes that enable them to prevent and remediate non-compliances identified in their operations and supply chain. Our advisory services include: -

- **In-depth research**

Partner Africa carries out long term, in depth research into targeted issues within supply chains across Africa. Research themes include land rights, forced labour and child labour. The research findings are used to help companies develop an in-depth understanding of issues in their supply chains and tailor policies and systems to support global efforts to eradicate the worst forms of child labour, forced labour and modern slavery and land grabbing. Partner Africa has also carried out baseline and end line studies to determine the impact of potential or current sourcing strategies within a supply chain or community.

- **Training and supplier forums**

To help companies improve their understanding of responsible business, prevent and remediate non-compliances Partner Africa offers a range of training programmes for suppliers in Africa that are part of international supply chains. In 2020 this included hosting a series of workshops for AIM-Progress members- a network of fast-moving consumer goods and the Ethical Trade Initiative (ETI). The focus of the training is for suppliers to exchange best practice around the prevention and remediation of non-compliance issues and develop practical solutions to their issues.

- **Supporting companies develop responsible business programmes and policies**

As Partner Africa builds its expertise on responsible business in Africa it increasingly supports companies develop policies and programmes that enable them to be responsible and be compliant with the UNGP's on Business and Human Rights

- **Impact assessments and Reporting**

Partner Africa is committed to supporting clients assess the impact of their responsible business programmes and preparing high quality and robust reports. Partner Africa's team have experience of preparing and reviewing modern slavery reports, ethical trade initiative (ETI) reports, UN Global Compact reports and the organisation of stakeholder panels.

## **3. Trade development projects**

In 2020 Partner Africa continued to engage in some trade development programmes that aim to improve access to markets for smallholders. As part of its new 5 year business plan it will however focus less in this area in the future and other members of the Gorta Group will champion this work.

## **ACHIEVEMENTS IN 2020**

In spite of the challenges caused by Covid-19 Partner Africa had a positive year and managed to deliver on most of its annual objectives including:

### **1. Strategy and Planning**

In 2020 Partner Africa developed a new strategy paper and a 5- year business plan that outlined its future vision and client services. Partner Africa has reframed its programme around the UN Guiding Principles of Business and Human Rights. Future work will focus on improving the working conditions and livelihoods of vulnerable workers and producers in Africa engaged in international supply chains through supporting clients and their suppliers adopt the UN Guiding Principles of Business and Human Rights.

Through this refocusing Partner Africa believes that its services are aligned with best practice models of responsible business and is better attuned to meeting the needs of its clients.

### **2. Client Services**

#### **2.1 Ethical audits**

During 2020 we have conducted 680 audits throughout Africa, most of our clients were members of AIM - Progress – an industry initiative of multi-national fast moving consumer goods companies that work together to promote responsible business. We also worked extensively with suppliers in South Africa that are members of the Wine Initiative for Ethical Trade (WIETA).

The number of audits was less than anticipated as the arrival of COVID-19 meant that Partner Africa could not visit farms and factories. In order to continue to be able to monitor working conditions Partner Africa developed a virtual assessment tool that was internationally approved and provided an opportunity to continue audits and ensuring we monitor risks of our customer suppliers.

The salient issues identified during our social audits and assessments included: - low wage rates, poor health and safety, lack of contracts.

#### **2.2 Responsible Business Advisory services**

In 2020 Partner Africa experienced a rapid increase in the demand for its advisory services and won a total of 21 new projects, which included winning two grants from FCDO. A summary of our Advisory portfolio is:

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	<b>Service</b>	<b>Sector</b>	<b>Theme</b>
<b>Commitment</b>	Policy	Fast Moving Consumer Goods	Business and Human Rights
	Standard	Agri-business	Honey Value Chain project in Uganda
<b>Identification of issues</b>	Human Rights Impact Assessment	Fast Moving Consumer Goods	Human Rights Risks
	General assessments	Agri-business	Madagascar Vanilla Assessments
	Deep dive research	Agri-business	Child Labour
		Retail	Covid19 Research Report
			Impact of Covid
<b>Addressing the root causes</b>	Round tables	Fast Moving Consumer Goods	Salient labour issues in Africa supply chains
	Training	Fast Moving Consumer Goods	Responsible Sourcing
		Extractives	Training of suppliers on responsible sourcing
	Manuals/Guides	Fast Moving Consumer Goods	Handbooks of Responsible Business
	Access to new markets	Agriculture	Establishing a Moringa supply chain in The Gambia
	Management of social funds	Agriculture and Fast-Moving Consumer Goods	Improving livelihoods of local communities

**2.3 Trade Development**

Over the last 12 months Partner Africa continued to work on trade development in close coordination with other member of the Gorta Group and local partners. It managed a total of three contracts in East Africa on behalf of Trade Mark East Africa.

**3. Finance and Operations**

In spite of Covid-19 in 2020 Partner Africa generated income of £1,177,894. £717,433 from audits, £215,522 from advisory services, £214,734 from Trade Development Projects and £30,205 from other income sources.

In response to the anticipated income loss due to Covid Partner Africa consolidated its overheads and reduced its monthly budgeted overhead costs by 40% from June 2020 in order to ensure the organisation minimised any loss.



## **FINANCIAL REVIEW**

The Statement of Financial Activities for the year ended 31 December 2020, shows a net deficit of £43,754.

The net assets of the organisation as shown on the balance sheet amount to £384,118. Plans are in place to ensure that Partner Africa maintains financial sustainability, which will enable it to continue to improve the quality of its work, expand its range of services and broaden its client base to ensure the long-term sustainability of the enterprise.

## **FUTURE DEVELOPMENTS**

The trustees, through the management team aim to continue to maintain, develop the business of Partner Africa in 2020 with the ambition of being the leading responsible business organisation in Africa that significantly improves the livelihoods of vulnerable workers and producers.

To achieve this, in 2020 the organisation will focus on the following: -

**Finances:** In 2020 Partner Africa is confident of maintaining its financial stability, however the impact of the current Covid-19 pandemics makes it difficult to predict exact figures.

**Clients and services:** Partner Africa will aim to expand and diversify its client base in 2020. It intends to expand the sectors that it conducts ethical audits in- including responsible fishing and mining; increase the number of advisory clients and apply for more funding for programmes that promote the adoption of the UN Guiding Principles of Business and Human Rights in Africa.

**Systems, Tools and Industry:** PA will continue to automate services through Salesforce, and maintain membership to key associations such as APSCA, The Ethical Trade Initiative; The Social Labour Convergence and the Floriculture Sustainability Initiative in 2020.

## **HEALTH AND SAFETY**

Partner Africa is committed to managing and conducting its work activities in such a way as to ensure - so far as is reasonably practicable - the safety, health and welfare at work of its employees and volunteers. Partner Africa management continuously monitors compliance in line with legislative requirements.

## **PUBLIC BENEFIT**

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing aims and objectives and planning future activities.

## **GOING CONCERN**

The organisation's forecasts and projections, taking account of reasonable possible changes in performance, including the impact of COVID-19, show that the organisation will be able to operate within the level of its current cash and investment resources. The Board have a reasonable expectation that the organisation has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements. Further details regarding the adoption of the going concern basis is included in Note 2b.

**PARTNER AFRICA (A company limited by guarantee)**

**ANNUAL REPORT OF THE TRUSTEES (CONTINUED) FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

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**POLITICAL DONATIONS**

No political donations were made during the year.

**POST BALANCE SHEET EVENTS**

No events have occurred since the balance sheet date that require adjustment or disclosure.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

(1) So far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and

(2) The director has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any information needed by the company's auditors about preparing their report and to establish that the company's auditors are aware of the information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

**AUDITORS**

Deloitte were appointed as the company's auditor for the financial year. A resolution for the re- appointment of Deloitte will be proposed at the forthcoming AGM.

This report was approved by the Trustees and signed on their behalf, by:



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Mr. David Governey - Trustee

Date: 23<sup>rd</sup> July 2021

**PARTNER AFRICA**  
**(A company limited by guarantee)**

**TRUSTEES' RESPONSIBILITIES STATEMENT**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

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The trustees (who are also directors of Partner Africa for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the net income or expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

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

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

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

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARTNER AFRICA

### Report on the audit of the financial statements

#### Opinion

In our opinion the financial statements of Partner Africa (the 'charitable company'):

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the statement of financial activities (including the income and expenditure account);
- the balance sheet;
- the statement of cash flows; and
- the related notes 1 to 22, including a summary of significant accounting policies as set out in note 1.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the trustees responsibilities with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the Reports and Financial Statements for the financial year ended 31 December 2020, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Reports and Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARTNER AFRICA****Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), the auditor exercises professional judgment and maintains professional scepticism throughout the audit. The auditor also:

- Identifies and assesses the risks of material misstatement of the entity's financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Concludes on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluates the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the charitable company's industry and its control environment, and reviewed the charitable company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, internal audit and compliance section about their own identification and assessment of the risks of irregularities in this charitable company.

We obtained an understanding of the legal and regulatory frameworks that the charitable company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, Charities Act 2011 and tax legislation.
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. These included UK employment law and the Data Protection Act 2018.

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## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PARTNER AFRICA

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our specific procedures performed to address it are described below:

Completeness, accuracy and occurrence of income:

- We assessed the design and determined the implementation of the key controls over income recognition process; and
- Performed substantive procedures on a sample basis to assess appropriateness of income recognition.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, the group audit, finance & risk committee and compliance section concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations in this charitable company; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

### Report on other legal and regulatory requirements

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

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

- the information given in the report of trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the report of trustees has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the report of trustees.

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

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the trustees were not entitled to take advantage of the small companies' exemption in preparing the report of trustees and from the requirement to prepare a strategic report; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Margarita Martin (Senior statutory auditor)  
For and on behalf of Deloitte Ireland LLP  
Statutory Auditor  
Deloitte & Touche House, 29 Earlsfort Terrace, Dublin 2, D02 AY28, Republic of Ireland

Date: 27 July 2021

**PARTNER AFRICA**  
**(A company limited by guarantee)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(including the income and expenditure account)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

		<b>Restricted funds 2020 £</b>	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Restricted funds 2019 £</b>	<b>Unrestricted funds 2019 £ (Restated)</b>	<b>Total funds 2019 £ (Restated)</b>
	<i>Notes</i>						
<b>INCOME</b>	3	-	<b>1,177,894</b>	<b>1,177,894</b>	-	1,363,689	1,363,689
<b>Total</b>		-	<b>1,177,894</b>	<b>1,177,894</b>	-	1,363,689	1,363,689
<b>EXPENDITURE ON</b>							
Charitable activities	4	-	<b>1,220,400</b>	<b>1,220,400</b>	-	1,291,976	1,291,976
<b>Total</b>	6	-	<b>1,220,400</b>	<b>1,220,400</b>	-	1,291,976	1,291,976
<b>Net expenditure</b>	7	-	<b>(42,506)</b>	<b>(42,506)</b>	-	71,713	71,713
Taxation	9	-	<b>(1,248)</b>	<b>(1,248)</b>	-	(36,527)	(36,527)
<b>Net movement in funds</b>	15	-	<b>(43,754)</b>	<b>(43,754)</b>	-	35,186	35,186
<b>RECONCILIATION OF FUNDS</b>							
Total funds brought forward	15	-	<b>427,872</b>	<b>427,872</b>	-	392,686	392,686
<b>Total funds carried forward</b>	15	-	<b>384,118</b>	<b>384,118</b>	-	427,872	427,872

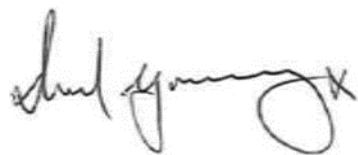
There are no other recognised gains or losses other than those listed above and the net income for the financial year. All income and expenditure derives from continuing activities.

**PARTNER AFRICA**  
**(A company limited by guarantee)**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	<i>Notes</i>	<b>2020</b> <b>£</b>	2019 <b>£</b>
<b>FIXED ASSETS</b>			
Tangible fixed assets	10	<b>25,002</b>	34,574
<b>CURRENT ASSETS</b>			
Debtors	11	<b>324,411</b>	320,913
Cash at bank and in hand		<b>639,699</b>	477,994
		<b>964,110</b>	798,907
<b>CREDITORS:</b> Amounts falling due within one year	12	<b>(565,262)</b>	(351,107)
<b>NET CURRENT ASSETS</b>		<b>398,848</b>	447,800
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>423,850</b>	482,374
<b>CREDITORS:</b> amounts falling due after more than one year	13	<b>(39,732)</b>	(54,502)
<b>NET ASSETS</b>		<b>384,118</b>	427,872
<b>FUNDS OF THE CHARITY</b>			
Unrestricted funds	15	<b>384,118</b>	427,872
<b>TOTAL FUNDS</b>		<b>384,118</b>	427,872

The financial statements were approved by the Trustees on 23<sup>rd</sup> July 2021 and signed on their behalf, by:



Mr. David Governey  
Trustee

23<sup>rd</sup> July 2021



**PARTNER AFRICA**  
**(A company limited by guarantee)**

**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

	<i>Note</i>	<b>2020</b> <b>£</b>	2019 <b>£</b>
<b>Cash flows from charitable activities</b>			
Net cash generated by charitable activities	16	<b>165,942</b>	35,150
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	10	<b>(4,237)</b>	(16,185)
<b>Net cash provided by investing activities</b>		<b>(4,237)</b>	(16,185)
<b>Increase in cash and cash equivalents in the reporting year</b>		<b>161,705</b>	18,965
<b>Cash and cash equivalents at beginning of the reporting year</b>		<b>477,994</b>	459,029
<b>Cash and cash equivalents at end of the reporting year</b>		<b>639,699</b>	477,994
<b>Reconciliation to cash at bank and in hand</b>			
<b>Cash and cash equivalents at end of financial year</b>	17	<b>639,699</b>	477,994

## **1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and the preceding year.

### **Basis of preparation of financial statements**

Partner Africa is a company incorporated in the UK under the Companies Act 2006. The address of the registered office is Second Floor Suite, Westgate House, Dickens Court, 25 Hills Lane, Shrewsbury, Shropshire, SY1 1QU. The nature of the company's operations and its principal activities are set out in the Report of the Trustees on pages 3 to 9.

In accordance with Section 60 of the Companies Act, 2006, the company is exempt from including the word "Limited" in its name. The company is limited by guarantee and has no share capital.

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP 2019) "Accounting and Reporting by Charities", in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), issued by the Financial Reporting Council and the Companies Act 2006.

The functional currency of Partner Africa is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

### **Company status**

The company is a company limited by guarantee. The sole member of the company is Self Help Africa, a charitable company registered in Ireland. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

### **Going Concern**

The organisation's forecasts and projections, taking account of reasonable possible changes in performance, including the impact of COVID-19, show that the organisation will be able to operate within the level of its current cash and investment resources. The Board have a reasonable expectation that the organisation has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements. Further details regarding the adoption of the going concern basis is included in Note 2b.

### **Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds, which are to be used in accordance with specific restrictions imposed by donors, which have been raised by the company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

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**1. ACCOUNTING POLICIES (CONTINUED)**

**Income**

All income and endowments are included in the Statement of Financial Activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. Income in respect of ethical trade assignments is deferred until such time as the assignment occurs and the related expenditure is incurred.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

**Expenditure**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities, they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

**Turnover**

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

**Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at annual rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	-	25% straight line
Computer Equipment	-	33 1/3% straight line
Furniture, fittings etc	-	12 1/2% straight line

**1. ACCOUNTING POLICIES (CONTINUED)**

**Taxation**

Partner Africa is a registered charity with the UK Charities Commission. Tax provided for in the financial statements relates to the Kenyan branch of Partner Africa. The tax expense for the financial year comprises current tax. Tax is recognised in the Statement of Financial Activities.

**Current Tax**

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Deferred Tax**

Deferred tax is provided using the liability method for all temporary timing differences arising between tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred tax rates. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which temporary timing differences will be utilised.

**Financial instruments**

Financial assets and financial liabilities are recognised when the charitable company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

*(i) Financial assets and liabilities*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charitable company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charitable company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires. Balances that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

**Operating leases**

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

**Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities.

**Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the period.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

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**2a. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the company's accounting policies, which are described in note 1, the trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the accounting policies and notes to the financial statements.

The trustees do not consider there are any critical judgements or sources of estimation requiring disclosure other than the going concern assumptions which are detailed further in note 2b.

**2b. GOING CONCERN**

Although the organisation recorded a marginal unrestricted deficit of £44K in 2020, the trustees have implemented several measures to give themselves a reasonable expectation that the organisation has adequate resources to continue in operational existence for a period of at least 12 months from the date of approval of the financial statements. In response to the Covid-19 pandemic among the measures taken to mitigate impact on unrestricted reserves are:

- Revision of budgets and cash flow projections to identify potential economies.
- Negotiations with suppliers, service providers and landlords, combined with general cost cutting measures across the organisation, to minimise depletion of unrestricted reserves.
- Reduction of staff working hours and salary reductions.
- Engaging with clients and to agree deferral of work programmes and extension of project timeframes as appropriate.

In addition to these measures, the trustees have reviewed the restricted elements of its income and expenditure, in order to understand the impact of the pandemic on its operations on the ground in Africa with the least possible disruption to or suspension of the organisation's work.

The organisation has an unrestricted reserves figure of £384,118 on hand at year end. In addition, the Gorta Group (of which Partner Africa is a member) holds reserves of €6million. The Gorta Group has committed to provide financial support to Partner Africa (should it be required) for a period of not less than twelve months from the approval of the financial statements. This gives the trustees comfort in continuing to adopt the going concern basis in preparing the annual financial statements.

**PARTNER AFRICA**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

**3. INCOME**

Income is earned from the delivery of ethical trade services and capacity building programmes in Africa as follows:

	<b>2020</b>	(Restated) 2019
	<b>£</b>	<b>£</b>
Audit Income	<b>717,433</b>	979,782
Advisory Income	<b>215,522</b>	290,760
Trade Development Projects	<b>214,734</b>	-
Other Income	<b>30,205</b>	18,084
Training Income	-	75,063
	<b>1,177,894</b>	1,363,689

**4. CHARITABLE ACTIVITIES**

	<b>Restricted Funds 2020</b>	<b>Unrestricted Funds 2020</b>	<b>Total Funds 2020</b>	(Restated) Total Funds 2019
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Ethical Audits	-	<b>751,420</b>	<b>751,420</b>	923,883
Trade Development Projects	-	<b>224,906</b>	<b>224,906</b>	70,780
Advisory Services	-	<b>225,732</b>	<b>225,732</b>	274,173
Support Costs (Note 5)	-	<b>18,342</b>	<b>18,342</b>	23,140
	-	<b>1,220,400</b>	<b>1,220,400</b>	1,291,976

**5. SUPPORT COSTS**

	<b>Restricted Funds 2020</b>	<b>Unrestricted Funds 2020</b>	<b>Total Funds 2020</b>	Total Funds 2019
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Audit Fees	-	<b>8,334</b>	<b>8,334</b>	15,020
Legal Fees	-	<b>3,309</b>	<b>3,309</b>	1,303
Other Governance Costs	-	<b>6,699</b>	<b>6,699</b>	6,817
	-	<b>18,342</b>	<b>18,342</b>	23,140

The basis of allocation of the support costs identified above is the percentage of time spend on each activity.

**PARTNER AFRICA**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

**6. ANALYSIS OF EXPENDITURE BY TYPE**

	<b>Staff costs</b>	<b>Depreciation</b>	<b>Other costs</b>	<b>Total</b>	<b>Total</b>
	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Ethical Audits	<b>223,847</b>	<b>6,401</b>	<b>521,172</b>	<b>751,420</b>	923,883
Trade Development Projects	<b>66,999</b>	<b>1,916</b>	<b>155,991</b>	<b>224,906</b>	70,780
Advisory Services	<b>67,245</b>	<b>1,923</b>	<b>156,564</b>	<b>225,732</b>	274,173
Support Costs (Note 5)	-	-	<b>18,342</b>	<b>18,342</b>	23,140
	<b>358,091</b>	<b>10,240</b>	<b>852,069</b>	<b>1,220,400</b>	1,291,976

**7. NET (EXPENDITURE)/INCOME BEFORE TAXATION**

This is stated after charging:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets	<b>10,240</b>	11,462
Auditors' remuneration	<b>8,335</b>	9,543
Auditors' remuneration – other overseas auditors for branches	<b>3,289</b>	5,477
Pension costs	<b>17,355</b>	17,355

No trustees received any remuneration (2019: £Nil) or any benefits in kind (2019: £Nil).

During the year, no trustees were reimbursed for travel expenses during the year (2019 – None noted).

Auditor's remuneration of £8,334 in 2020 consists of £5,445 for the services of Deloitte Ireland LLP, in respect of the 2020 statutory audit and £3,289 paid to PKF Kenya in relation to the 2020 audit of the Kenyan branch and £1,150 in relation to South Africa branch audit. An over-accrual of the 2019 fee of £1,549 has been netted off.

**PARTNER AFRICA**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

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**8. STAFF COSTS**

Staff costs were as follows:

	<b>2020</b>	2019
	<b>£</b>	£
Wages and salaries	<b>328,115</b>	332,190
Social security costs	<b>8,152</b>	816
Other pension costs	<b>21,824</b>	17,355
	<b>358,091</b>	350,361

The average monthly number of employees employed during the year was 19 (2019: 20).

During the year, one employee received remuneration between £60,000 and £70,000 (2019: £Nil).

The total remuneration for key management personnel for the financial year amounted to £159,562 (2019: £87,463).

**9. TAXATION**

Tax charge has been provided in the accounts of Partner Africa's Kenya Branch as follows:

	<b>2020</b>	2019
	<b>£</b>	£
Deferred tax charge	<b>1,248</b>	36,527

The deferred tax charge and related deferred tax asset in 2020 relates to accumulated losses at the Kenyan branch of Partner Africa.

Partner Africa has been granted charitable tax exempt status by the HMRC and therefore no provision for UK corporation tax is required.



**PARTNER AFRICA**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

**10. TANGIBLE FIXED ASSETS**

	<b>Motor Vehicles £</b>	<b>Office Furniture &amp; Equipment £</b>	<b>Total £</b>
<b>Cost:</b>			
At 1 January 2020	25,736	73,463	99,199
Additions	-	4,237	4,237
Disposals	-	(2,028)	(2,028)
Foreign exchange translation	(2,667)	(5,698)	(8,635)
<b>At 31 December 2020</b>	<b>23,069</b>	<b>69,704</b>	<b>92,773</b>
<b>Depreciation:</b>			
At 1 January 2020	25,736	38,889	64,625
Charge for the year	-	10,240	10,240
Disposals	-	(840)	(840)
Foreign exchange translation	(2,667)	(3,587)	(6,254)
<b>At 31 December 2020</b>	<b>23,069</b>	<b>44,702</b>	<b>67,771</b>
<b>Net book value:</b>			
<b>At 31 December 2020</b>	<b>-</b>	<b>25,002</b>	<b>25,002</b>
At 31 December 2019	-	34,574	34,574

**11. DEBTORS**

	<b>2020 £</b>	<b>2019 £</b>
Trade debtors	<b>236,189</b>	220,951
Other debtors	<b>5,966</b>	10,455
Prepayments and accrued income	<b>21,823</b>	26,227
Deferred tax	<b>60,433</b>	63,280
	<b>324,411</b>	<b>320,913</b>

**PARTNER AFRICA**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

<b>12. CREDITORS:</b> (Amounts falling due within one year)	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>58,574</b>	43,098
Other creditors	<b>344,962</b>	189,109
VAT payable	<b>1,651</b>	9,828
Accruals and deferred income	<b>160,075</b>	109,072
	<b>565,262</b>	351,107

<b>13. CREDITORS:</b> (Amounts falling due after more than one year)	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Amounts owed to parent undertaking (Note 20)	<b>39,732</b>	54,502

**14. FINANCIAL INSTRUMENTS**

The carrying value of the company's financial assets and liabilities are summarised by category below:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Financial Assets</b>		
<i>Measured at undiscounted amount receivable</i>		
• Trade debtors	<b>236,189</b>	220,951
<b>Financial Liabilities</b>		
<i>Measured at undiscounted amount payable</i>		
• Trade creditors	<b>58,574</b>	43,098
• Amounts owed to parent undertaking	<b>39,732</b>	54,502

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

**15. FUNDS OF THE CHARITY**

**(i) Reconciliation of funds:**

**Total unrestricted funds**

	<b>2020</b> <b>£</b>	2019 £
Opening balance at 1 January	<b>427,872</b>	392,686
Net (expenditure)/income for the year	<b>(43,754)</b>	35,186
<b>Closing balance at 31 December</b>	<b>384,118</b>	427,872

**(ii) Analysis of net assets between funds:**

**Total unrestricted funds**

	<b>2020</b> <b>£</b>	2019 £
Tangible fixed assets	<b>25,002</b>	34,574
Current assets	<b>964,110</b>	798,907
Liabilities	<b>(604,994)</b>	(405,609)
	<b>384,118</b>	427,872

**(iii) Movement in funds:**

	<b>Balance</b> <b>01/01/2020</b> <b>£</b>	<b>Income</b> <b>£</b>	<b>Expenditure</b> <b>£</b>	<b>Balance</b> <b>31/12/2020</b> <b>£</b>
Unrestricted funds	427,872	1,177,894	1,221,648	384,118

	<b>Balance</b> <b>01/01/2019</b> <b>£</b>	(Restated) <b>Income</b> <b>£</b>	(Restated) <b>Expenditure</b> <b>£</b>	<b>Balance</b> <b>31/12/2019</b> <b>£</b>
Unrestricted funds	392,686	1,363,689	1,291,976	427,872

**PARTNER AFRICA**  
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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020**

**16. RECONCILIATION OF NET (EXPENDITURE)/INCOME TO NET CASH INFLOW FROM CHARITABLE ACTIVITIES**

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
<b>NET (EXPENDITURE)/INCOME FOR THE REPORTING YEAR</b> <b>(as per the Statement of Financial Activities)</b>	<b>(43,754)</b>	35,186
<i>Adjustments for:</i>		
Depreciation	<b>10,240</b>	11,462
Movement in debtors	<b>(3,498)</b>	105,994
Movement in creditors- amounts due within one year	<b>214,115</b>	(100,157)
Movement in creditors- amounts due over one year	<b>(14,769)</b>	(18,987)
Foreign exchange on consolidation	<b>3,569</b>	1,652
<b>NET CASH FLOWS FROM CHARITABLE ACTIVITIES</b>	<b>165,942</b>	35,150

**17. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS**

	At 1 January 2020 £	Cashflows 2020 £	<b>At 31 December 2020 £</b>
Cash at bank and in hand	477,994	167,705	<b>639,699</b>

**18. COMMITMENTS**

At 31 December 2020 the company had total future minimum commitments under non-cancellable operating leases as follows:

	<b>2020</b>	2019
	<b>£</b>	<b>£</b>
Within 1 year	<b>30,774</b>	34,691
Between 1 and 5 years	<b>59,861</b>	103,808
	<b>90,635</b>	138,499

**19. PENSION COMMITMENTS**

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions paid by the company to the fund and amounted to £21,824 (2019: £17,355).

**20. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The results of Partner Africa are consolidated into the financial statements of Gorta (trading as Gorta Self Help Africa). The trustees consider that Gorta is the charity's ultimate holding company. Copies of the group financial statements of Gorta may be obtained from the charity's registered office at Kingsbridge House, 17 – 22 Parkgate Street, Dublin 8.

During the year, Gorta Self Help Africa received a net £14,770 from commitments to Partner Africa (2019: £Nil) and transferred no funds to Partner Africa (2019: £Nil). The balance due to Gorta Self Help Africa at 31 December 2020 was £39,732 (2019: £54,502).

**21. COMPARATIVES**

Management fee of £138,983 charged by Partner Africa Kenya to Partner Africa was not offset in the comparative figures. The comparative figures for income and expenses were offset by £138,983 and adjusted in the financial statements. There was no impact on the financial result for the comparative figures.

**22. SUBSEQUENT EVENTS**

No events have occurred since the balance sheet date that require adjustment or disclosure.