

REGISTERED COMPANY NUMBER: 07883925 (England and Wales)
REGISTERED CHARITY NUMBER: 1147128

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 FOR
AFRICAN ENTERPRISE INTERNATIONAL**

**AFRICAN ENTERPRISE INTERNATIONAL CONTENTS OF THE FINANCIAL STATEMENTS FOR
THE YEAR ENDED 31 DECEMBER 2023**

	Page
Report of the Trustees	1-7
Independent Auditors' Report on the Financial Statements	8-11
Statement of Financial Activities	12
Balance Sheet	13
Statement of Cash Flows	14
Notes to the Financial Statements	15-22

AFRICAN ENTERPRISE INTERNATIONAL

REPORT OF THE TRUSTEES - YEAR ENDED 31 DECEMBER 2023

The Trustees of African Enterprise International (the Charity), who are also directors of the Charity for the purposes of the Companies Act, present their Annual Report together with the Charity's audited Financial Statements for the year ended 31 December 2023. We confirm that the Annual Report and Financial Statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition – October 2019 effective 1 January 2019).

Objectives and activities

Objectives and aims for the public benefit

The objective of African Enterprise International (referred to as AE International) is to coordinate grants that are received from supporting partners and to manage their effective distribution to the ministry projects that are managed by partner teams within Africa. In addition, the objectives are to provide oversight on good governance for all partners and to enable equity in the distribution of discretionary funds to partner members within Africa. The trustees provide substantial input into the primary direction and strategy relating to the management, coordination of activities and focus of the partnership as a whole as well as developing the policies and procedures that govern the partnership's operation. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charitable company's aims and objectives and in planning its future activities.

Achievement and Performance of Charitable activities

1. AE Mission Fronts

In 2023, there was significant achievement in AE Missions. Various Proclamation and Social Action missions were successfully conducted in all our Teams except DRC. Out of these missions 4,738,508 people were collectively reached and 194,962 committed their lives to Jesus Christ for the first time. Out of the total people reached, 3,520,151 were reached through proclamation via mass media out of which 18,836 committed their lives to Jesus Christ for the first time.

AE has continued to employ both the traditional methods for Stratified Evangelism e.g. 'Open air' in addition to more innovative methods both online based (TV, Radios, etc.) and face to face. The new methods introduced during Covid-19 pandemic were enhanced including Home Based Evangelism (you visit homes and evangelism through a person known to the family) and small group meetings called in church premises.

AFRICAN ENTERPRISE INTERNATIONAL

REPORT OF THE TRUSTEES - YEAR ENDED 31 DECEMBER 2023

1. AE Mission Fronts (cont.)

	Team	2023		2022	
		Number Reached	Decisions For Christ	Number Reached	Decisions For Christ
1	AE DRC			15,504	4,305
2	AE Ethiopia	8,220	179	91,565	2,014
3	AE Ghana	215,301	5,986	8,379	324
4	AE Kenya	373,280	80,518	434,605	23,858
5	AE Malawi	73,403	16,754	8,391	3,308
6	AE South Africa	280,296	36,228	330,312	9,326
7	AE Rwanda	3,596,214	16,373	300,879	12,895
8	AE Tanzania	42,968	5,685	7,980	5,773
9	AE Uganda	57,615	6,352	368,019	14,315
10	AE Zambia	1,927	564	169,868	16,250
11	AE Zimbabwe	58,894	6,092	1,022	-
12	AE South Sudan	30,390	20,231	1,325	780
	Total	4,738,508	194,962	1,737,849	93,148

Love Nairobi Festival

In September (7th -17th) 2023, African Enterprise partnered with the Luis Palau Association to execute one of the biggest evangelical movements in Kenya - The Love Nairobi Festival Mission. Over 500 laborers in the Lord's vineyard availed themselves from all over the world, to share the gospel on the streets, in churches, in door-to-door missions, in prisons, in schools and anywhere that the Lord availed. This resulted to 320,968 people being reached with the Gospel message of Jesus Christ and a harvest of 78,593 decisions to follow Christ.

AE International Institute of Evangelism (AEIIE)

The AEIIE was officially launched on September 2, 2022 in Lusaka, Zambia. Thereafter, an inaugural training was held with 70 participants from 12 countries where African Enterprise has a national presence. The training focused on Christian Education and Academic Research in Evangelism.

The AEIIE Advisory Board resolved to begin the Certificate Level training in 2023 that would be aligned to the strategy of equipping the church in Africa in evangelism and missions, multiplying local evangelists across the continent, and influencing African Theology in evangelism and missions. 480 key leaders have already registered from the 12 AE countries within the continent, and intentional selection has been done to ensure diversity.

In 2023, through the Institute of Evangelism, African Enterprise trained evangelists, pastors and church leaders on formal methods of disciple making, effective evangelism methods, and effective mission, both locally and globally. In 2023, the African Enterprise International Institute of Evangelism graduated over 400 pastors and evangelists in 10 African countries.

2. AE Aid & Development

2.1 Programs

The Lord enabled us to achieve a lot in 2023. We sincerely wish to register our appreciation to our prayer and financial partners for being part of the difference that African Enterprise(AE) is making in Africa's mission field through community transformation.

A number of social action initiatives were undertaken across Africa courtesy of the national teams. These included Market Based Sanitation(MBS) project in Rwanda, prostitutes' rehabilitation and

AFRICAN ENTERPRISE INTERNATIONAL

REPORT OF THE TRUSTEES - YEAR ENDED 31 DECEMBER 2023

Street Children Apprenticeship Program(SCAP) projects in Ghana. Vulnerable women vocational skills programs in Malawi, Ethiopia, South Africa, Zambia & Kenya. Additionally, in Kenya there was on-going work through construction of a maternity wing at a health clinic to serve a slum community. Uganda too operated a community health clinic and ran a vocational skills program for Youth and Adolescents. Tanzania carried on with a youth empowerment program while Zimbabwe implemented a Water, Sanitation & Hygiene (WASH) project. South Sudan was able to reach children in schools with trauma healing education. Emergency relief coupled with trauma healing ministry was extended to civil war victims in Ethiopia and DRC; just to mention a few in addition to other ongoing projects in the 12 countries where AE has presence in Africa. Needless to mention, all the teams implemented Community Transformation Groups (CTGs) as a sustainability measure for beneficiaries of social action programs. All this was accomplished with support from partners through the support offices and other international partners.

2.2 Capacity development

In September 2023, AEI conducted a capacity development training for senior leaders across the partnership. The Team leaders, Social action managers, Mission directors and Communications officers met in Nairobi, Kenya for training on project management and emerging trends in the donor world in the areas of safeguarding, child protection, monitoring, evaluation and learning among others. Following this training, new templates were developed for proposal writing and reporting. This is a step forward towards compliance in engaging with government and institutional partners.

3. Operations

3.1 Strategic Plan 2024-2028

The 2019-2021 Strategic Plan period came to a close in 2021. The implementation focused on 7 focus areas that now form the core of our operations; Operations, Stratified Evangelism and Discipleship, Community Transformation, Transformational Leadership Enhancement, Youth Empowerment, Peace Building and Reconciliation, Capacity Development and Governance.

The Charity partnership is currently working on a 5 years' Strategic Plan 2024-2028 for approval by the International Council in 2025. AEI is registered as Charity in UK but does evangelism work in Africa, currently in 12 countries. These make the partnership.

3.2 Triennial International Council (IC)

AEI hosted the last IC meeting in September 2022 in Lusaka Zambia.

The IC is African Enterprise's top decision-making organ, meeting once every three years to review progress and chart the path for the ministry in the three subsequent years. In 2022, the theme of the IC was "Holding True and Pressing On"- Philippians 3:13-14 and emphasised on the following critical issues:

- Inspiration and Authority of the Word of God: It is critical that we hold true to the inspiration and authority of the Word of God, to the Lausanne Covenant as our constitutionally enshrined statement of faith, to the centrality of preaching Christ as Saviour, Lord and friend and to the full demands of Christian discipleship.
- Calling to the Cities of Africa: We must also hold true to our calling to the cities of Africa which now number 400. Now with the population of Africa being 1.3 billion with 65% of the population under 25 years, this presents a challenge of monumental proportions because Africa is going to be the fulcrum of World Mission.
- Pressing On: We must therefore press on to deepen and extend the work. This must mean new teams in various places around the continent. It must mean a strengthening of all the support offices and establishment of such offices.

AFRICAN ENTERPRISE INTERNATIONAL

REPORT OF THE TRUSTEES - YEAR ENDED 31 DECEMBER 2023

The conclusion of the IC was formulation of resolutions that will guide the organization for the next 3 years.

The International Council is the top organ of the organization which meets once every 3 years. During the period it's not meeting, the International Board is mandated to make all decisions.

3.3 Financial Review

Financial review

As evidenced in the figures shown in the financial statements of these accounts, the financial year 2023 saw our charity end in a comfortable position.

There was a net deficit of \$118,500 during the year. Whereas we received total income of 1,770,145 we incurred expenditure of \$ 1,888,645. The net deficit of \$118,500 incurred during the year is made up of restricted funds decrease of \$123,396 and unrestricted funds surplus of \$4,896.

The reduction in restricted funds of \$123,396 is mainly accounted for by a decrease of \$32,112 (7%) in income for Mission and ministry support from \$463,454 in 2022 to \$431,342 in 2023. Furthermore, expenditure on Mission and ministry support increased by \$48,143 (8%) from \$607,840 in 2022 to \$655,983 in 2023.

There was also a reduction of income for foxfires by \$69,650 (84%) from \$82,789 in 2022 to \$13,139 in 2023.

The total funds carried forward decreased to \$119,487 from \$237,987 in 2022. This is made up of unrestricted funds of \$43,857 and restricted funds of \$75,630.

The current in income of \$1,770,145 is higher than the previous year of \$ 1,634,195 with an increase of \$135,950 - (8%). Income is solely made up of donations and legacies with funders generally responding in an exemplary manner to the demands of the ministry, to ensure that we were able to carry out the mandate of African Enterprise International.

Expenditure for the year increased by \$218,722 (13%) from \$1,669,873 in 2022 to \$1,888,645. This is mainly expenditure on charitable activities.

Reserves policy

The trustees aim is to maintain reserves in Unrestricted Funds that will be sufficient to cover the operational costs of the organization for a period of 60 days or more. The trustees recognize that the level of funds received is dependent in turn on the fundraising efforts of partners rather than the direct fundraising efforts of the organization itself and that the flow of funds can be variable.

The balance of Unrestricted Funds increased by \$4,896 - (13%), from \$38,961 as at 31st December 2022 to US \$43,857 as at December 2023. This is mainly because of increase in income for Missions and Ministry support by \$ 114,176 - (24%) from \$472,188 in 2022 to \$ 586,364 in the current year. However, expenditure of unrestricted funds increased by \$35,326 – (6%) from \$545,142 in 2022 to \$581,468 in the current area.

The Charity is committed to building the reserves to US \$200,000 in five years. This will be done by annually budgeting for the reserves, specific fundraising for the same and through expense control to generate savings. In the budget for 2024, there is a commitment to raise \$120,000 to achieve this target.

May the grace, favour, faith in, love and power of God continue to uplift AE to greater heights.

AFRICAN ENTERPRISE INTERNATIONAL

REPORT OF THE TRUSTEES - YEAR ENDED 31 DECEMBER 2023

2.6 Structure, governance and management

Governing document

The charity is constituted as a company limited by guarantee, as defined by the Companies Act 2006 and is hence controlled by its Articles of Association.

Recruitment and appointment of new trustees

Under the Memorandum and Articles of Association and the by-laws of African Enterprise International, most trustees are drawn from members of the African Enterprise International Council (IC) which is a group of companies that have signed the Covenant of Partnership (CoP) and is the body that appoints the trustees each three years. The IC determines the composition and membership of the International Board Trustees at its triennial meeting. At present trustees are appointed for a three-year term and may not serve more than two consecutive terms. The appointment of trustees between triennial IC meetings needs to be ratified at the next IC meeting.

The triennial meeting, hereby referred to as International Council (IC) took place in November 2019 in Kigali- Rwanda and new trustees were appointed and the next one took place post year end in September 2022 in Zambia.

African Enterprise International is a company limited by guarantee with the registered company number 07883925. It is registered as a charity (Charity Number 1147128). The constitution of the partnership provides for a triennial council made up of representatives of all the members of the partner organizations both within Africa and outside Africa. Each partner organization has signed the CoP. The representatives of the partner organization are as defined in the by-laws of the company and they approve the appointment of trustees each three years. The make-up of the board is set out in the constitution. The board comprises two members who represent partners within Africa and two who represent partners outside Africa. In addition, there are two independent directors, the treasurer and the chairman. The company secretary may attend board meetings as a non-voting member. The International Team Leader (ITL) and the founder of the organization are also ex-officio attendees. None of the trustees is remunerated.

Induction and training of new trustees

African Enterprise International considers carefully the induction of new trustees and has prepared a board manual for new and existing trustees. Documents provided to incoming trustees comprise the following:

1. History and Ethos of Organization
2. Memorandum and Articles of Association and Covenant of Partnership
3. Personal Basis of Belief
4. Organization's Statement of Faith (Lausanne Covenant)
5. Trustees Legal Responsibilities
6. Trustees Responsibilities to AE
7. Partnership Policy and Procedures Manual
8. Current Statutory Accounts
9. Current Management Accounts

Trustees are advised to read through the material thoroughly prior to signing the consent to act as a trustee.

Wider network

The IC represents the wider partnership, effectively the stakeholders and, in accordance with the by-laws of the company, they have the right to remove trustees and to appoint new trustees. The

AFRICAN ENTERPRISE INTERNATIONAL

REPORT OF THE TRUSTEES - YEAR ENDED 31 DECEMBER 2023

trustees may appoint new trustees between each triennial meeting. Trustees appointed in this way need to be reappointed at the next triennial IC meeting.

Risk management

The trustees have considered the major risks to which the charity is exposed. The charity currently does not actively seek direct funds from donors but receives funds from members of the partnership outside Africa and primarily distributes funds to other members of the partnership.

The charity does not undertake the investment of funds that it holds and therefore is not exposed to market fluctuations. It operates both income and expenditure primarily in US dollars and accordingly has minimal exposure to currency fluctuations. The trustees believe there are adequate controls in place in managing finances.

Reference and administration details

Registered Company number: 07883925 (England and Wales)

Registered Charity number: 1147128

Registered office:

6 Trull Farm Buildings
Trull
Tetbury
England
GL8 8SQ

Trustees

The trustees who held office during the year were:

A Rutayisire
G Masalakulangwa
O Ochieng
R Chokhotho
N A Amoo
C Kivengere
W Herman
D Ralph

Company Secretary: the Trust Partnership Ltd

Independent Auditors:

Reza Motazed and Co LLP
Chartered Accountants
7 Bell Yard
LONDON
WC2A 2JR

The trustees (who are also the directors of African Enterprise International for the purposes of company law) are responsible for preparing the Report of the Trustees 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 charitable company and of the incoming resources

AFRICAN ENTERPRISE INTERNATIONAL

REPORT OF THE TRUSTEES - YEAR ENDED 31 DECEMBER 2023

and application of resources, including the income and expenditure, of the charitable company for that period.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's examiner is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the examiner is aware of that information.

Approved by order of the board of trustees and signed by:

Antoine Rutzyraie, Chairman

Date:

31/May/2024

AFRICAN ENTERPRISE INTERNATIONAL

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE CHARITABLE COMPANY (‘THE COMPANY’) - YEAR ENDED 31 DECEMBER 2023

OPINION

We have audited the financial statements of African Enterprise International (the Charity) for the year ended 31 December 2023 comprising the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and the related notes, including a summary of the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS OF 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 United Kingdom, including the Financial Reporting Council'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 responsibilities of the Trustees 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 Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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.

AFRICAN ENTERPRISE INTERNATIONAL

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE CHARITABLE COMPANY (‘THE COMPANY’) - YEAR ENDED 31 DECEMBER 2023

OPINION 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 Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you 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' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charity for the purposes 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's 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.

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.

AFRICAN ENTERPRISE INTERNATIONAL

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE CHARITABLE COMPANY (‘THE COMPANY’) - YEAR ENDED 31 DECEMBER 2023

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Charities Act 2011 and data protection, anti-bribery, employment and health and safety legislation;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we;

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions;

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence made available to us such as that with relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditors responsibilities. This description forms part of our Auditors' Report.

AFRICAN ENTERPRISE INTERNATIONAL

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE CHARITABLE COMPANY
(‘THE COMPANY’) - YEAR ENDED 31 DECEMBER 2023**

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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Signed: *Reza Motazed*

**Reza Motazed (Senior Statutory Auditor)
Reza Motazed and Co. LLP
LONDON**

Date: 31.5.2024

AFRICAN ENTERPRISE INTERNATIONAL

STATEMENT OF FINANCIAL ACTIVITIES - YEAR ENDED 31 DECEMBER, 2023

(Incorporating income and expenditure account)

	Notes	Unrestricted funds USD	2023 Restricted funds USD	Total funds USD	2022 Total funds USD
Income from:	2				
Mission, Ministry Support and Other		586,364	431,342	1,017,706	935,642
Aid & development		-	739,300	739,300	615,764
Foxfires		-	13,139	13,139	82,789
Total Income		586,364	1,183,781	1,770,145	1,634,195
Expenditure on:	3				
Mission, Ministry Support and Other		-	655,983	655,983	617,078
Aid & development		-	607,867	607,867	481,449
Foxfires		-	43,327	43,327	35,442
Team support costs		319,135	-	319,135	328,754
Founder's department		15,600	-	15,600	16,175
ITL department		197,908	-	197,908	161,728
Communications department		48,825	-	48,825	29,247
Total Expenditure		581,468	1,307,177	1,888,645	1,669,873
Net movement in funds		4,896	-123,396	-118,500	-35,678
Total funds brought forward	16	38,961	199,026	237,987	273,665
Total funds carried forward	15	43,857	75,630	119,487	237,987

The Statement of Financial Activities includes all gains and losses recognised in the year. The notes on pages 15 to 22 form part of the financial statements.

AFRICAN ENTERPRISE INTERNATIONAL
REGISTERED COMPANY NUMBER: 07883925

BALANCE SHEET - 31 DECEMBER 2023

	Notes	Unrestricted funds USD	2023 Restricted funds USD	Total funds USD	2022 Total funds USD
Current assets					
Cash at bank and in hand	12	43,857	129,728	173,585	291,007
Debtors	14	-	-	-	-
Total current assets		43,857	129,728	173,585	291,007
Current liabilities					
Creditors: amounts falling due within	13	-	54,098	54,098	53,020
Total current liabilities		-	54,098	54,098	53,020
Net current assets		43,857	75,630	119,487	237,987
Funds					
Unrestricted funds	15	43,857	-	43,857	38,961
Restricted funds	15	-	75,630	75,630	199,026
Total funds		43,857	75,630	119,487	237,987

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

These financial statements were approved and authorised for issue by the Board of Trustees and were signed on its behalf by: -

Rev. Dr Antoine Rutayiro, Chairman

Date:

May 31, 2024 *[Signature]*

The notes on pages 15 to 22 form part of the financial statements.

AFRICAN ENTERPRISE INTERNATIONAL STATEMENT OF CASH FLOWS - 31 DECEMBER 2023

Cash flows from operating activities:	Notes	As restated	
		2023	2022
		USD	USD
Balance for the year (page 12)		-118,500	-35,678
Adjustments for:-			
Exchange differences		-412	-21,159
Working capital changes			
(Decrease)/Increase in creditors		1,078	-181,416
Total cash generated from operations		-117,834	-238,253
Cash and cash equivalents at the beginning of the reporting period		291,007	508,101
Exchange differences		412	21,159
Increase in cash and cash equivalents		-117,834	-238,253
Cash and cash equivalents at the end of the reporting period	20	173,585	291,007

AFRICAN ENTERPRISE INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2023

1. ACCOUNTING POLICIES

(a) Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The accounts have been prepared on the going concern basis which assumes that the charitable company will continue in operational existence for the foreseeable future. The validity of this assumption is based on the fact that the charity only distributes grants to partner projects in Africa after it has received funds from its supporting partners. In addition, the charity has very little by way of overhead costs and these are also met from the funds from supporting partners before remittances are made to the partner projects in Africa therefore it is appropriate for the financial statements to be prepared on the going concern basis.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policy.

(b) Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably. Any funds not utilised during the year is deferred to subsequent year.

(c) Expenditure

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

Grants offered to AEI subject to conditions which have not been met at the year-end date are noted as a commitment but not accrued as income and/or expenditure.

(d) Creditors

These are recognised in the books when there is a contractual agreement and/or goods have been delivered or services rendered.

(e) Debtors

The Charity depends on donations from supporters. Receivables are recognised when there are evidence funds have been wired but have not been credited into the bank account.

AFRICAN ENTERPRISE INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2023

1. ACCOUNTING POLICIES - Continued

f) Charitable activities

The charitable company's principal activities are as follows:

i) Mission & Ministry

This consists of support towards missions that are held across Africa by the partners in the 12 teams in Africa who are part of the partnership. These missions use an approach called stratified evangelism where each strata of society within a city has a focused reach out. In addition, funds may go towards a major mission in a city that is strategic to a country or region and is usually outside the national boundaries of partner teams. In recent years these missions have included Bujumbura in Burundi and Juba in Southern Sudan, Monrovia in Liberia and Maputo in Mozambique. Funds go to directly support missions and in addition the staff that go on mission or provide the necessary infrastructure to assist teams in going on mission. Ministry also covers Peacebuilding exercises within countries and youth evangelism.

ii) Aid & development

This consists of support for a range of socially focused projects covering community needs. Examples would include programs for the rehabilitation of prostitutes, skills training to assist in running a small enterprise, primary health clinics including immunization programs and water and sanitation projects within very deprived communities.

g) Governance costs

This consists of all legal and other costs connected to the charitable company meeting its statutory governance obligations and includes the annual audit fee and the costs associated with the meetings of the international board of trustees (directors).

h) Taxation

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

i) Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Monies received by the charitable company are mainly restricted by both activity and country where the money is to be spent. The restrictions applied are always fulfilled but in order that the fund reporting is not broken down to an unhelpful level of detail the restricted funds have been identified at a country level only.

j) Foreign currency

The Charity's functional and presentational currency is USD.

AFRICAN ENTERPRISE INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2023

2. Income as analysed per activity	2023	2022
	USD	USD
Mission, Ministry Support and Other	1,017,706	935,642
Aid & development	739,300	615,764
Foxfires	13,139	82,789
Total Income	1,770,145	1,634,195

Aid and development include funds identified for third parties. See note 10 for a breakdown of incoming resources by donor country.

3. Charitable activities costs

Charitable activities costs	Direct costs	Support costs (Note 5)	Totals
	USD	USD	USD
Mission, Ministry Support and Other	655,983	-	655,983
Aid & development	607,867	-	607,867
Foxfires	43,327	-	43,327
Team support costs	319,135	-	319,135
Founder's department	15,600	-	15,600
ITL department	197,908	-	197,908
Communications department	-	48,825	48,825
Total costs in 2023	1,839,820	48,825	1,888,645
Total costs in 2022	1,640,626	29,247	1,669,873

4. Grants payable

	2023	2022
	USD	USD
The total grants paid to institutions during the year was as follows:		
Aid & development (3rd party grants)	-	-

5. Support costs

	Management costs	Finance costs	Governance costs	Totals
	USD	USD	USD	USD
Mission, Ministry Support and Other	26,991	6,256	15,578	48,825
Total support costs in 2023	26,991	6,256	15,578	48,825
Total support costs in 2022	17,943	7,229	4,075	29,247

AFRICAN ENTERPRISE INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2023

6. Balance / (deficit)

Net income/(expenditure) is stated after charging/(crediting):	2023	2022
	USD	USD
Auditors Remuneration	8,500	9,000

7. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

The board of trustees is made of a number of individuals from various countries and when the board meet the costs of travel, accommodation and subsistence are met by the charitable company. Board meeting in 2023 were all online.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Charity. They consist of the International Team Leader/CEO, the International Missions' Director, and the International Operations Manager. The aggregate cost of Key Management Remuneration was \$203,934 (2022 - \$185,314).

8. Staff costs

	2023	2022
	USD	USD
Wages and salaries	260,651	251,404

The average monthly number of employees during the year was as 8 8
No employees received emoluments in excess of \$80,136 (2022 - \$80,136).

9. Statement of Financial Activities for year ended 31 December 2022

	Unrestricted funds	Restricted funds	Total funds
	USD	USD	USD
Income			
Mission, Ministry Support and Other	472,188	463,454	935,642
Aid & development	-	615,764	615,764
Foxfires	-	82,789	82,789
Total Income	472,188	1,162,007	1,634,195
Expenditure			
Mission, Ministry Support and Other	9,238	607,840	617,078
Aid & development	-	481,449	481,449
Foxfires	-	35,442	35,442
Team support costs	328,754	-	328,754
Founder's department	16,175	-	16,175
ITL department	161,728	-	161,728
Communications department	29,247	-	29,247
Total Expenditure	545,142	1,124,731	1,669,873
Net movement in funds	-72,954	37,276	-35,678
Reconciliation of funds			
Total funds brought forward	111,915	161,750	273,665
Total funds carried forward	38,961	199,026	237,987

AFRICAN ENTERPRISE INTERNATIONAL

STATEMENT OF FINANCIAL ACTIVITIES - YEAR ENDED 31 DECEMBER 2023

10. Detailed analysis of incoming resources by country

The charity received funds from partner charities located in different countries throughout the world as follows:

	2023	2022
Country	USD	USD
Australia	618,196	683,863
Europe	38,583	71,134
Canada	194,308	173,376
Ireland	8,922	18,572
New Zealand	-	-
USA	707,176	623,950
Direct funds	202,960	63,300
Total Income	1,770,145	1,634,195

11. Analysis of outgoing resources by recipient country

Country		
Congo	32,707	48,633
Ethiopia	86,623	68,767
Ghana	82,168	90,980
Kenya	140,438	107,814
Malawi	135,847	87,340
Rwanda	193,720	197,370
South Africa	74,102	54,291
South Sudan	55,825	31,675
Tanzania	88,119	59,312
Uganda	78,194	59,769
Zambia	95,749	243,526
Zimbabwe	71,549	34,065
Total	1,135,041	1,083,542

12. Cash and cash equivalents

	2023	2022
	USD	USD
Barclays UK US \$ Accounts	62,214	134,243
Barclays UK GBP Accounts	72,371	156,764
Enwealth US\$ Saving Accounts	39,000	-
Total cash and cash equivalents	173,585	291,007

13. Creditors: amounts falling due within one year

	2023	2022
	USD	USD
Staff benefit fund	40,094	35,020
Accrued expenses	14,004	18,000
	54,098	53,020

Staff Benefit Fund creditors relate to contribution by Staff members not yet registered with the Fund Managers – Enwealth Limited

AFRICAN ENTERPRISE INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2023

14. Debtors

No debtors for 2023 (2022 Nil)

15. Movement in funds	At 1.1.23	Net movement in funds	At 31.12.23
Unrestricted funds			
General fund	38,961	4,896	43,857
Total Unrestricted fund	38,961	4,896	43,857
Restricted funds			
South Africa region	1,079	-1,079	-
South Sudan	41,996	-14,673	27,323
Community development	32,487	-28,696	3,791
Mission general - includes meetings	123,464	-78,948	44,516
Total Restricted funds	199,026	-123,396	75,630
Total funds	237,987	-118,500	119,487

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
Unrestricted funds			
General fund	379,215	-374,319	4,896
Total unrestricted funds	379,215	-374,319	4,896
Restricted funds			
Congo	32,707	-32,707	-
Ethiopia	86,623	-86,623	-
Ghana	82,168	-82,168	-
Kenya	140,438	-140,438	-
Malawi	135,847	-135,847	-
Rwanda	193,720	-193,720	-
South Africa	73,024	-74,103	-1,079
South Sudan	43,153	-57,826	-14,673
Tanzania	88,119	-88,119	-
Uganda	78,194	-78,194	-
Zambia	95,749	-95,749	-
Zimbabwe	71,549	-71,549	-
Community development (Balance transfer)	3,976	-32,672	-28,696
Mission general - includes meetings	265,663	-344,611	-78,948
Total restricted funds	1,390,930	-1,514,326	-123,396
Total funds	1,770,145	-1,888,645	-118,500

AFRICAN ENTERPRISE INTERNATIONAL
NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2023

	At 1.1.22	Net movement in funds	At 31.12.22
16. Movement in funds (2022)			
Unrestricted funds			
General fund	111,915	-72,954	38,961
Total Unrestricted funds	111,915	-72,954	38,961
Restricted funds			
South Africa region	4,836	-3,757	1,079
South Sudan	4,290	37,706	41,996
Community development	12,487	20,000	32,487
Mission general - includes meetings	140,137	-16,673	123,464
Total Restricted funds	161,750	37,276	199,026
Total funds	273,665	-35,678	237,987

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
Unrestricted funds			
General fund	133,559	-206,513	-72,954
Total Unrestricted funds	133,559	-206,513	-72,954
Restricted funds			
Congo	48,633	-48,633	-
Ethiopia	68,767	-68,767	-
Ghana	90,980	-90,980	-
Kenya	107,814	-107,814	-
Malawi	87,340	-87,340	-
Rwanda	197,370	-197,370	-
South Africa	50,534	-54,291	-3,757
South Sudan	69,381	-31,675	37,706
Tanzania	59,312	-59,312	-
Uganda	59,769	-59,769	-
Zambia	243,526	-243,526	-
Zimbabwe	34,065	-34,065	-
Community development (Balance transfer)	50,665	-30,665	20,000
Mission general - includes meetings	332,480	-349,153	-16,673
Total Restricted funds	1,500,636	-1,463,360	37,276
Total funds	1,634,195	-1,669,873	-35,678

17. Related party disclosures

There were no related party transactions for the years ended 31 December 2023 or 2022.

18. Contingent liability

There were no contingent liabilities at end of the year.

AFRICAN ENTERPRISE INTERNATIONAL

NOTES TO THE FINANCIAL STATEMENTS - YEAR ENDED 31 DECEMBER 2023

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted Funds 2023	Unrestricted Funds 2023	Total Funds 2023
	USD	USD	USD
Current assets	129,728	43,857	173,585
Creditors due within one year	-54,098	-	-54,098
	75,630	43,857	119,487

Analysis of net assets between funds - prior year

	Restricted Funds 2022	Unrestricted Funds 2022	Total Funds USD
	USD	USD	
Current assets	252,046	38,961	291,007
Creditors due within one year	-53,020		-53,020
	199,026	38,961	237,987

20. Analysis of changes in net debt

	At 1 January 2023 USD	Cash flows USD	At 31 December 2023 USD
Cash at bank and in hand	291,007	-117,422	173,585
	291,007	-117,422	173,585