

THE AFRICA TRUST

England & Wales · Charity number 1147666

Details

Status Registered

Legal form Trust

Registered 2012-06-12

Register [View on the Charity Commission register](#)

Contact

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10 Kings Court
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Activities

Objects: TO PROMOTE SUSTAINABLE DEVELOPMENT FOR THE BENEFIT OF PEOPLE IN AFRICA THROUGH:A) THE RELIEF OF POVERTY AND THE IMPROVEMENT OF THE CONDITIONS OF LIFE IN SOCIALLY AND ECONOMICALLY DISADVANTAGED COMMUNITIES;B) THE PROMOTION OF SUSTAINABLE MEANS OF ACHIEVING ECONOMIC GROWTH AND REGENERATION;C) THE PRESERVATION, CONSERVATION AND PROTECTION OF THE ENVIRONMENT WITH A PARTICULAR FOCUS ON IMPROVEMENTS TO WATER SUPPLY AND SANITATION.TO ADVANCE THE EDUCATION OF THE PUBLIC (IN THE UK AND ELSEWHERE) IN SUBJECTS RELATING TO SUSTAINABLE DEVELOPMENT AND TO PROMOTE STUDY AND RESEARCH IN SUCH SUBJECTS PROVIDED THAT THE USEFUL RESULTS OF SUCH STUDY ARE DISSEMINATED TO THE PUBLIC AT LARGE.'SUSTAINABLE DEVELOPMENT' MEANS 'DEVELOPMENT WHICH MEETS THE NEEDS OF THE PRESENT WITHOUT COMPROMISING THE ABILITY OF FUTURE GENERATIONS TO MEET THEIR OWN NEEDS.'

Activities: Africa Trust works to bring sustainable solutions to poverty in Africa. They establish sustainable supplies of clean water and decent sanitation. Income generating projects are used to pay school fees, improve clinics and generate funds needed to run orphanages. With business skills training, villagers start businesses and funds are circulated to catalyse new projects.

Classification

- **How:** Makes Grants To Organisations, Provides Other Finance, Provides Human Resources, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Economic/community Development/employment
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** TANZANIA, UGANDA, ZIMBABWE
- Kenya
- Liberia
- Malawi
- Mozambique
- South Africa
- Tanzania
- Uganda
- Zimbabwe

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£1,579,432	£1,447,332	£203,414	1
2023-12-31	£1,418,835	£1,407,118	£71,314	1
2022-12-31	£1,735,492	£1,869,212	£59,597	1
2021-12-31	£1,641,159	£1,660,077	£193,317	1
2020-12-31	£1,185,979	£1,210,500	£212,235	1

Trustees

Name	Role	Appointed
DAVID FREMEL		2012-03-28
Joshua Searle		2022-07-29
KIRSTEN SEARLE		2012-03-28

THE AFRICA TRUST

England & Wales - Charity number 1147666

Accounts

Charity registration number 1147666 (England and Wales)

THE AFRICA TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

THE AFRICA TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr David Fremel Mrs Kirsten Searle Mr Joshua Searle
Charity number	1147666
Principal address	Secretary : Aidan Geraghty 10 Kings Court Willie Snaith Road Newmarket CB8 7SG
Auditor	Brown Warner LLP 38 Northgate Newark-on-Trent Nottinghamshire NG24 1EZ
Bankers	HSBC PLC 63 - 64 St Andrew's Street Cambridge CB2 3BZ

THE AFRICA TRUST

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THE AFRICA TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees present their Annual Report and Financial Statements for the year ended 31 December 2024. (Previous year ended 31 December 2023).

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

Objectives and activities

The objectives of the Trust are:

To promote sustainable development for the benefit of people in Africa through:

- A) The relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities;
- B) The promotion of sustainable means of achieving economic growth and regeneration;
- C) The preservation, conservation and protection of the environment with a particular focus on improvements to water supply and sanitation;
- D) To advance the education of the public (in the UK and elsewhere) in subjects relating to sustainable development and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large.

'Sustainable development' means 'Development which meets the needs of the present without compromising the ability of future generations to meet their own needs.'

The Trust carries out these objectives by:

- A) Providing grants to partner organisations in Africa to fund activities which will further the Trust's charitable objectives while building the capacity of each partner.
- B) Funding research into innovations, with a particular focus on the Trust's core strength of clean water supply and sanitation.

The Trust provides grants to partner organisations in Africa to fund activities which will further its charitable objectives while building the capacity of each partner. These partners are: the Zimbabwe Africa Trust and the Alliance Development Africa Trust in Zimbabwe and the Alliance Development Africa Foundation in Malawi. £25,000 of the funding for ADAF was allocated via a donation to Christian Aid, which was passed on to ADAF along with matched funding under the REAP Malawi project.

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

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Grant making policy

The Trust has established its grant making policy to achieve its objectives.

How the grant and research programmes delivered public benefit; a review of the achievements and performance.

Achievements and performance

The total number of beneficiaries at the start of 2024 was 4,069,491 and 339,356 new beneficiaries were added. This includes 7,808 beneficiaries for the entrepreneurial training and loans programmes. A total of 1,011 new pumps were installed in 2024 (942 in 2023). All of these pumps were installed in Zimbabwe.

Zimbabwe

1,011 new Elephant Pumps were built in Zimbabwe, at a per pump cost which was just below the agreed target. The savings were used for other approved projects, including emergency relief and the distribution of cement for toilet slabs. Two of the project vehicles (an 8-tonne truck and a pick-up) are still in need of replacement (when funds allow) after over twelve years of continuous, heavy usage. The annual maintenance cost for these vehicles is increasing, even though one of the project staff is a qualified mechanic and does all repairs at cost. An amount was agreed to be set aside each month to allow for one project vehicle to be replaced in 2025 since this purchase is now long overdue.

Pump installation continued to be combined with hygiene education during 2024, through community-led total sanitation meetings. Such meetings have resulted in much larger numbers of households installing toilets for themselves. By offering one bag of cement per household plus training, far more toilets are being installed, benefitting many more people by avoiding open defecation in entire communities. By addressing both water supply and sanitation for an entire cluster of villages, such as those in the catchment area of one rural school, the positive health impact can be far greater. This is seen in the reduction of the water borne disease burden and therefore improved school attendance. We are also now receiving reports from rural clinics indicating a reduction in water borne diseases such as severe diarrhoea and dysentery.

The entrepreneurial training programme in Zimbabwe continues to grow, while we assist our implementing partner to put in place structures needed to secure independent funding from other organisations. Loan repayment has continued to exceed the target of 95%, with a further increase from 97% in 2023 up to 98% in 2024. This level of loan repayment is extraordinary, especially when you consider the harsh economic environment in which most Zimbabweans find themselves. Since 2021, when this programme was launched, 7,145 beneficiaries have been trained and assisted to start or improve their own businesses.

Malawi

5,304 people have received entrepreneurial training under the REAP Malawi project to date, which was above the ambitious target of 4,800.

The Africa Trust's entrepreneurial training with loans programme in Malawi is now one of the largest micro-credit organisations in the whole country, in terms of the number of people benefitting from the loans and the village banks that have been established and continue to operate. 287 new village banks have been established to date, each with around 15-20 members. The REAP Malawi Project has been tremendously successful and should be extended beyond the three-year initial period.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Monitoring achievement

All partner organisations provide regular updates on progress including accounts, narrative reports and photos for all the projects. There are a number of layers of monitoring both internally, within the partner organisations, and externally, including regular visits (normally) and continuous remote monitoring by the chief executive, independent monitoring exercises, trustee visits to projects and regular checking of progress for all field programmes against agreed milestones. Senior personnel from the partner organisations are also sent by the chief executive to visit the Africa Trust funded projects in other countries for training and monitoring purposes. The trustees of The Africa Trust review progress through formal quarterly meetings and keep up to date with regular phone calls and email exchanges.

Financial review

In total, incoming resources for the calendar year 2024 amounted to £1,579,432 (2023: £1,418,835) from which grants and payments to partners and projects, including the chief executive's remuneration, of £1,437,141 (2023: £1,399,044) have been made. Governance costs of £10,191 (2023: £8,074) have been deducted leaving a surplus of £132,100 (2023: surplus £11,717) to be added to reserves.

The trustees agreed that the minimum level of free reserves would now be set at £100,000. This level of reserves is possible due to the reliable and regular income flow from AquAid and because it has proven possible to scale down operations, such as pump building, at short notice if and when this is required.

Total net assets less liabilities at the end of 2024 amounted to £203,414. This is above the current target of £100,000 for the minimum free reserves level. The surplus for the year was £132,100. Experience has demonstrated that operations can be scaled down and up rapidly in response to changes in the flow of funding.

Risks

The trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

The major risk is the extent to which the grants awarded will further the aims of the Trust due to operational challenges on the ground. The trustees manage this risk and seek to maximize the positive impact by regularly reviewing the outputs and activities of all implementing partners and by reviewing the funding to each partner according to their monitored achievements.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Grants Approved for the Period January 2025 – December 2025

1. At least £980,000 will be allocated to the Zimbabwe Africa Trust (ZAT) primarily for the core programme of installing and maintaining Elephant Pumps to provide clean water in poor rural communities in Zimbabwe including allocation to sanitation projects and emergency relief. Under the terms of this grant, ZAT would commit to installing one new pump for every one thousand two hundred pounds provided. As ZAT is a non-profit organization, any funds saved would be used by ZAT to: install additional pumps, improve capacity such as vehicles and to invest in secondary projects to relieve poverty and emergency relief for those in desperate situations. ZAT would be expected to provide the chief executive with weekly updates on progress including photos of pumps built and reports on the secondary projects. The impact of the projects would be monitored including estimates of the number of people who were assisted to have a sustainable supply of clean productive water. This country programme is the flagship endeavour of the Africa Trust, which satisfies the needs and interests of the Africa Trust's core funder AquAid, since money donated from their water cooler business is used to establish supplies of clean drinking water in poor areas of Africa. One new project vehicle will be bought during 2025.
2. Up to £15,000 for the year for emergency relief at the discretion of the Chief Executive.
3. A subsistence and operational allowance of up to £60,000 was approved for the Chief Executive to oversee, monitor and develop the field programmes. This is structured to include a formal UK net salary of £3,547 per month plus funds towards a pension scheme. This allowance can include up to £5k towards accommodation, travel, food and other basics such as airtime for phone and data needs. This UK payroll is incorporated into the project management budgets for Zimbabwe and Malawi.
4. Up to £170,000 was approved to go towards the business skills training and small loans project run by ADAF in Malawi (funding can either be direct or via Christian Aid under the REAP Malawi project extension if secured).
5. Up to £170,000 would be allocated to ADAT for business skills training with loans in Zimbabwe.
6. Up to £10,000 is proposed for UK administration, including audit.

Approved Budget for 2025

Details	Income £	Expenditure £	Beneficiaries	
			Existing	New (approx.)
AquAid and other Sources	1,400,000			
Pumps, Pipelines and Relief *		1,000,000	4,408,847	300,000
Business Skills Training * (including loans, grants and agriculture)		400,000	66,048	7,000
Projects - Sub Total		1,400,000		
UK administration and audit		10,000		
TOTAL	1,400,000	1,410,000	4,474,895	307,000

* The UK Payroll is incorporated into the project management budgets.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Structure, governance and management

The Africa Trust became a registered charity, number 1147666, on 12th June 2012 having been in operation since December 2010 and is constituted under a trust deed.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mr David Fremel

Mrs Kirsten Searle

Mr Joshua Searle

The Board will next decide upon any extension to the current tenures of trustees in June 2026 for Joshua Searle and in May 2025 for David Fremel and Kirsten Searle.

New trustees are appointed by the existing trustees and serve for three to five years after which they may put themselves forward for re-appointment. The trust deed provides for a minimum of 3 trustees, to a maximum of 9 trustees, with no more than 3 trustees due for re-appointment in any one year.

All trustees give of their time freely and no trustee remuneration was paid. No expenses were claimed by any of the trustees. Trustees are required to disclose all relevant interests and register them with the chief executive and in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises.

At the quarterly trustees' meetings, the trustees agree the broad strategy and areas of activity for the Trust, including consideration of grant making, reserves and risk management policies and performance. Day-to-day administration of grants and the processing and handling of applications prior to consideration by the trustees is delegated to the chief executive. The chief executive did not claim any expenses during the year. He was able to subsidize his work with his own funds and with part of the salary paid to him by the Trust during the year. Salary payments paid to the chief executive including his pension and national insurance contributions amounted to £56,131 during the year.

The trustees formally approved arrangements complying with the ICSA guide 'Recruitment, Appointment and Induction of Charity Trustees' and now convene the Nominations Sub Committee as required both to recruit new trustees for their experience, empathy and knowledge of the charity and to keep the skills and composition of the trustee body and succession planning under review. New trustees may be sought by open advertisement or through a dialogue with potential candidates. Respecting the ethos of the Trust to continue the charitable work intended by the founders, the ultimate decision on selection is a matter for the trustees.

On appointment, new trustees commit to giving of their time and expertise. The induction process follows the ICSA good practice guide with a formal induction programme for any newly appointed trustee which includes an initial meeting with the chairman and the trustees, followed by a series of meetings with the chairman and chief executive on responsibilities of the trustee board and the sub committees. This induction includes a brief history of the Trust, copies of trustee board and subcommittee minutes, a copy of recent annual reports and accounts, a copy of the governing trust deed and a copy of the Charity Commission's guidance 'The Essential Trustee: What You Need to Know' and 'Charities and Public Benefit'.

The trustees are related parties to the charity; Kirsten Searle is a director and controlling shareholder of AquAid Franchising Limited which company is the major contributor to the Charity, donating £1,151,897 in the year 2024 (2023: £1,127,925) In addition, she personally donated £188,870 (2023: £110,000) in the year 2024. Joshua Searle personally donated £1,500 (2023: £8,500) and £63,300 (2023: £12,700) through his company Roorcu Limited. David Fremel donated £4,800 (2023: £4,800).

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

Mr Joshua Searle

Trustee

Dated: 5 September 2025

THE AFRICA TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2024

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the Trustees are required to:

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

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that year.

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

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

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

THE AFRICA TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE AFRICA TRUST

Opinion

We have audited the financial statements of The Africa Trust (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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 charity'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 auditor's 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE AFRICA TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE AFRICA TRUST

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities, the Trustees 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 charity'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

We identify and assess the risks of material misstatement of the entity's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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.

We obtain 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 group's internal control.

We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

We conclude on the appropriateness of the trustees' 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 charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

We evaluate 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 (i.e. gives a true and fair view).

We communicate 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 we identify during our audit.

THE AFRICA TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE AFRICA TRUST

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:

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Brown Warner LLP

5 September 2025

**Chartered Accountants
Statutory Auditor**

38 Northgate
Newark-on-Trent
Nottinghamshire
NG24 1EZ

Brown Warner LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE AFRICA TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Income from:			
Donations and legacies	2	1,579,432	1,418,835
Total income		<u>1,579,432</u>	<u>1,418,835</u>
Expenditure on:			
Charitable activities	3	1,447,332	1,407,118
Total expenditure		<u>1,447,332</u>	<u>1,407,118</u>
Net income and movement in funds		132,100	11,717
Reconciliation of funds:			
Fund balances at 1 January 2024		<u>71,314</u>	<u>59,597</u>
Fund balances at 31 December 2024		<u>203,414</u>	<u>71,314</u>

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

THE AFRICA TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2024

	Notes	2024 £	£	2023 £	£
Current assets					
Debtors	8	55,735		57,296	
Cash at bank and in hand		154,786		121,789	
		<u>210,521</u>		<u>179,085</u>	
Creditors: amounts falling due within one year	10	(7,107)		(107,771)	
Net current assets			<u>203,414</u>		<u>71,314</u>
The funds of the charity					
Unrestricted funds			<u>203,414</u>		<u>71,314</u>
			<u>203,414</u>		<u>71,314</u>

The financial statements were approved by the Trustees on 5 September 2025

Mr Joshua Searle
Trustee

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

Charity information

The Africa Trust is a Registered Charity, number 1147666.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

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

1.4 Incoming resources

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

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

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

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2024

1 Accounting policies

(Continued)

1.5 Cash and cash equivalents

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

1.6 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.7 Employee benefits

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

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

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

2 Donations and legacies

	Unrestricted funds general 2024 £	Unrestricted funds general 2023 £
Donations and gifts	1,579,432	1,418,835

3 Charitable activities

	2024 £	2023 £
Staff costs	56,131	51,363
Bank and other charges	1,591	74
Legal and professional expenses	8,600	8,000
	<u>66,322</u>	<u>59,437</u>
Grant funding of activities (see note 4)	1,381,010	1,347,681
	<u>1,447,332</u>	<u>1,407,118</u>

4 Grants payable

	2024 £	2023 £
Grants to institutions:	1,381,010	1,347,681

Included within the cost of pumps, pipelines and sanitation are grants paid to Zimbabwe Africa Trust totalling £1,188,704 (2023: £1,138,095) which is the largest recipient of funds during the year.

5 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but the chief executive was paid a salary and pension fund contributions as set out in note 6.

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

6 Employees

The average monthly number of employees, including the Trustees, during the year was:

	2024	2023
	Number	Number
	4	4
	<u>4</u>	<u>4</u>

Employment costs

	2024	2023
	£	£
Wages and salaries	46,131	43,863
Other pension costs	10,000	7,500
	<u>56,131</u>	<u>51,363</u>

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

7 Taxation

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

8 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	55,715	57,296
Other debtors	20	-
	<u>55,735</u>	<u>57,296</u>

9 Loans and overdrafts

	2024	2023
	£	£
Other loans	-	100,000
	<u>-</u>	<u>100,000</u>
Payable within one year (see note 10)	-	100,000
	<u>-</u>	<u>100,000</u>

A loan of £250,000 was provided by CoolerAid Limited, in August 2022 and was repaid in equal six monthly instalments of £50,000 commencing in December 2022. The loan was unsecured and was free of interest.

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

10 Creditors: amounts falling due within one year

	2024 £	2023 £
Borrowings	-	100,000
Accruals and deferred income	7,107	7,771
	<u>7,107</u>	<u>107,771</u>

11 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	10,000	7,500
	<u>10,000</u>	<u>7,500</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

12 Unrestricted funds

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

	At 1 January 2024 £	Incoming resources £	Resources expended £	At 31 December 2024 £
General funds	71,314	1,579,432	(1,447,332)	203,414
	<u>71,314</u>	<u>1,579,432</u>	<u>(1,447,332)</u>	<u>203,414</u>
Previous year:	At 1 January 2023 £	Incoming resources £	Resources expended £	At 31 December 2023 £
General funds	59,597	1,418,835	(1,407,118)	71,314
	<u>59,597</u>	<u>1,418,835</u>	<u>(1,407,118)</u>	<u>71,314</u>

13 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024 £	2023 £
Aggregate compensation	56,131	51,363
	<u>56,131</u>	<u>51,363</u>

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2024

13 Related party transactions

(Continued)

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

The trustees are related parties to the charity; Kirsten Searle is a director and controlling shareholder of AquAid Franchising Limited which company is the major contributor to the Charity, donating £1,151,897 in the year 2024 (2023: £1,127,925) In addition, she personally donated £188,870 (2023: £110,000) in the year 2024, Joshua Searle personally donated £1,500 (2023: £8,500) and £63,300 (2023: £12,700) through his company Rooru Limited. David Fremel donated £4,800 (2022: £4,800).

THE AFRICA TRUST

England & Wales - Charity number 1147666

Accounts

Charity registration number 1147666

THE AFRICA TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

THE AFRICA TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr David Fremel Mrs Kirsten Searle Mr Joshua Searle
Charity number	1147666
Principal address	Secretary : Aidan Geraghty 10 Kings Court Willie Snaith Road Newmarket CB8 7SG
Auditor	Brown Warner LLP 38 Northgate Newark-on-Trent Nottinghamshire NG24 1EZ
Bankers	HSBC PLC 63 - 64 St Andrew's Street Cambridge CB2 3BZ

THE AFRICA TRUST

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THE AFRICA TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees present their Annual Report and Financial Statements for the year ended 31 December 2023. (Previous year ended 31 December 2022).

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

Objectives and activities

The objectives of the Trust are:

To promote sustainable development for the benefit of people in Africa through:

- A) The relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities;
- B) The promotion of sustainable means of achieving economic growth and regeneration;
- C) The preservation, conservation and protection of the environment with a particular focus on improvements to water supply and sanitation;
- D) To advance the education of the public (in the UK and elsewhere) in subjects relating to sustainable development and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large.

'Sustainable development' means 'Development which meets the needs of the present without compromising the ability of future generations to meet their own needs.'

The Trust carries out these objectives by:

- A) Providing grants to partner organisations in Africa to fund activities which will further the Trust's charitable objectives while building the capacity of each partner.
- B) Funding research into innovations, with a particular focus on the Trust's core strength of clean water supply and sanitation.

The Trust carries out this programme through partnerships with independent organisations in various countries across Africa. These partners include the Zimbabwe Africa Trust and the Alliance Development Africa Trust in Zimbabwe, the Alliance Development Africa Foundation in Malawi, Living Business Education in Uganda and the Another Hope Foundation in Tanzania.

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

Grant making policy

The Trust has established its grant making policy to achieve its objectives.

How the grant and research programmes delivered public benefit; a review of the achievements and performance.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Achievements and performance

The total number of beneficiaries at the start of 2023 was 3,776,616 and 292,875 new beneficiaries were added. This includes 6,329 beneficiaries for the entrepreneurial training and loans programmes. A total of 942 new pumps were installed in 2023 (1,003 in 2022). The suspension of operations for nearly a month during the election period, caused this reduction from 1,003 down to 942 pumps built. All of these pumps were installed in Zimbabwe. 18 new toilets were built in Tanzania along with significant improvements and extension of the gravity-fed water pipelines. After Cyclone Freddy, 51 families in Malawi were assisted to rebuild their devastated homes and move back from camps.

With over four million beneficiaries, The Africa Trust is now one of the leading aid and development organisations on the continent in terms of the number of beneficiaries served. This is despite the relatively small annual budget compared to the major aid agencies. Over 40,000 people have been assisted with entrepreneurial training, loans and the establishment of village banks, allowing them to set up small businesses to support themselves and their families. This is now one of the largest entrepreneurship programmes in Africa, which differs from other approaches in its focus on helping people from the poorest communities to lift themselves out of poverty.

Zimbabwe

942 new Elephant Pumps were built in Zimbabwe, at a per pump cost which was below the agreed target. The savings were used for other approved projects, including emergency relief and the distribution of cement for toilet slabs. This was achieved despite a reduction in funding and during an election year in Zimbabwe, in which operations were suspended for nearly a month. Two of the project vehicles (an 8-tonne truck and a pick-up) are still in need of replacement (when funds allow) after over eleven years of continuous, heavy usage. The annual maintenance cost for these vehicles is increasing, even though one of the project staff is a qualified mechanic and does all repairs at cost.

Pump installation was combined with hygiene education during 2023, through community-led total sanitation meetings. Such meetings have resulted in much larger numbers of households installing toilets for themselves. By offering one bag of cement per household plus training, far more toilets are being installed, benefiting many more people by avoiding open defecation in entire communities. By addressing both water supply and sanitation for an entire cluster of villages, such as those in the catchment area of one rural school, the positive health impact can be far greater. This is seen in the reduction of the water borne disease burden and therefore improved school attendance.

The entrepreneurial training programme in Zimbabwe continues to grow, while we assist our implementing partner to put in place structures needed to secure significant independent funding from other organisations. In particular, the Chief Executive has been progressing negotiations with Christian Aid who are currently providing matched funding for the REAP Malawi project. Although negotiations for commencement of a similar REAP Zimbabwe project have taken longer than was originally anticipated, all signs are now positive that this project will commence in 2024. There is also interest from the Netherlands Government and together with Christian Aid, it is hoped that Africa Trust grants to our implementing partner ADAT (for entrepreneurial training and loans in Zimbabwe) will be soon matched.

Loan repayment has continued to exceed the target of 95%, with a further increase from 96% in 2022 up to 97% in 2023. This level of loan repayment is extraordinary, especially when you consider the harsh economic environment in which most Zimbabweans find themselves. Since 2021, when this programme was launched, 4,722 beneficiaries have been trained and assisted to start or improve their own businesses. Further significant investment is needed for this programme, especially in the first half of 2024, for matched funding from Christian Aid and the Netherlands government to be secured. There are now clearly developed plans in place to launch the £1 million REAP Zimbabwe project in 2024 in which £500,000, from the Africa Trust over five years, will be matched by Christian Aid.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Malawi

5,060 people received entrepreneurial training under the REAP Malawi project in 2023, which was above the ambitious target of 4,800 despite the devastating impact of Cyclone Freddy in March. Loan repayment rates in Malawi Kwacha remained high, however this local currency was devalued by the current administration during 2023, meaning that the value of loan repayments in pounds sterling was reduced by around 44%. This came after more than a decade (from 2012) without any sudden devaluation and was therefore impossible to anticipate and budget for. Discussions were had as to whether loans could be pegged to the pound at prevailing rates, but this would impact negatively on the ability of beneficiaries to make payments in the case of a sudden devaluation. A further concern would be the appearance of there being significant interest charged on loans if calculated in Malawi Kwacha. Overall it was decided that the priority was the pride and sense of achievement for beneficiaries when they repay their loans in full (in Kwacha with zero interest) even though the pound sterling value of these repayments may have fallen.

The Africa Trust's entrepreneurial training with loans programme in Malawi is now one of the largest micro-credit organisations in the whole country, in terms of the number of people benefitting from the loans and the village banks that have been established and continue to operate. 287 new village banks were established during 2023, each with around 15-20 members. The REAP Malawi Project has been tremendously successful and is expected to be extended beyond the three-year initial period. Furthermore, REAP Malawi has provided a model framework for the planned commencement of REAP Zimbabwe on a similar scale in 2024. One significant advantage in Zimbabwe, is that USD are used, hence reducing the likelihood of sudden currency devaluations impacting on the revolving fund. Although funding for ADAF from The Africa Trust directly was lower in 2023, a grant of £135,000 made to Christian Aid in November 2022 was disbursed to ADAF in 2023 along with more than matched funding from Christian Aid.

After floods caused by Cyclone Freddy in March 2023 washed away entire villages, 51 families in Malawi were assisted to rebuild their homes. 46 of these families were surviving in refugee camps having lost everything. It should be noted that the total cost of this project was just £7,644, which represents the cost incurred by other aid agencies to rebuild the homesteads for four or five families. The Africa Trust in partnership with ADAF, has shown that funds can go ten times as far if the project is well structured, working hand in hand with the affected local families. Other agencies were instead hiring contractors to build housing, which costs much more with less suitable results.

Tanzania

18 toilets were built in Tanzania along with further significant extension and futureproofing of the gravity-fed pipelines, which provide clean water to tens of thousands of people. It was decided to draw the Tanzania project to a close at the end of the year to allow for exclusive focus on Zimbabwe and Malawi where the level of poverty is more severe and the impact of funding is greater. A significant and sustained positive footprint will be left behind in Tanzania with improved sanitation, and gravity-fed pipelines that will provide clean water for thousands of people for decades to come. It should be noted that before these pipelines were established, local communities were paying extortionate amounts for their household water, which was being delivered in lorries.

The entire communities in the areas where pipelines were installed came out to assist with digging trenches, demonstrating the importance of these projects. At one time, the chief executive was digging deep trenches alongside over four thousand people! The topography meant that deep trenches were needed at certain points along more than ten kilometres of piping to allow for water to flow by gravity rather than requiring diesel pumping stations or syphon systems that are much more likely to fail. Good water pressures were achieved by gravity alone at all standpipe taps confounding local government experts, who had insisted that pump stations with storage tanks would be needed. The local communities now have full control of this project, along with adequate training for long-term maintenance.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Uganda

In 2023, there were 476 business skills training graduates against a planned target of 360. The level of funding for LBE was increased from £12,000 up to £17,000 for the entire year. It was previously decided to end funding for Uganda at the end of 2023. It was hard to justify continued investment there, when there is such huge potential for expansion in Malawi and Zimbabwe. The scale of achievements from Africa Trust funding in Uganda is however extraordinary, with over 15,000 new jobs created due to the entrepreneurial training programme. Alongside this, there were many other achievements as documented over more than a decade, including assistance for 1,200 chili farmers in northern Uganda, funding for a 60-seat classroom at Mirembe Green Academy, the Mazima Retirement Scheme and the MyWater initiative to provide clean water in high density peri-urban areas. The chief executive will continue to provide Livingstone and LBE some support when requested, such as assistance in writing funding proposals.

Monitoring achievement

All partner organisations provide regular updates on progress including accounts, narrative reports and photos for all the projects. There are a number of layers of monitoring both internally, within the partner organisations, and externally, including regular visits (normally) and continuous remote monitoring by the chief executive, independent monitoring exercises, trustee visits to projects and regular checking of progress for all field programmes against agreed milestones. Senior personnel from the partner organisations are also sent by the chief executive to visit the Africa Trust funded projects in other countries for training and monitoring purposes. The trustees of The Africa Trust review progress through formal quarterly meetings and keep up to date with regular phone calls and email exchanges.

Financial review

In total, incoming resources for the calendar year 2023 amounted to £1,418,835 (2022: £1,735,492) from which grants and payments to partners and projects, including the chief executive's remuneration, of £1,398,444 (2022: £1,859,028) have been made. Governance costs of £8,674 (2022: £10,184) have been deducted leaving a surplus of £11,717 (2022: deficit £133,720) to be added to reserves.

The trustees agreed that the minimum level of free reserves would now be set at £50,000. This lower level of reserves is possible due to the reliable and regular income flow from AquAid and because it has proven possible to scale down operations, such as pump building, at short notice if and when this is required.

Total assets at the end of 2023 amounted to £179,085. However, with £107,771 in liabilities, including £100,000 outstanding for the long-term loan from the late Paul Searle's brother John, the actual level of free reserves at the end of 2023 was £71,314. This is above the target of £50,000 that was set as a minimum level for free reserves. The surplus for the year was £11,717. Experience in 2020 demonstrated that operations can be scaled down and up rapidly in response to changes in the flow of funding.

Risks

The trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

The major risk is the extent to which the grants awarded will further the aims of the Trust due to operational challenges on the ground. The trustees manage this risk and seek to maximize the positive impact by regularly reviewing the outputs and activities of all implementing partners and by reviewing the funding to each partner according to their monitored achievements.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Grants Approved for the Period January 2024 – December 2024

1. At least £900,000 will be allocated to the Zimbabwe Africa Trust (ZAT) primarily for the core programme of installing and maintaining Elephant Pumps to provide clean water in poor rural communities in Zimbabwe including allocation to sanitation projects and emergency relief. Under the terms of this grant, ZAT would commit to installing one new pump for every one thousand two hundred pounds provided. As ZAT is a non-profit organization, any funds saved would be used by ZAT to: install additional pumps, improve capacity such as vehicles and to invest in secondary projects to relieve poverty and emergency relief for those in desperate situations. ZAT would be expected to provide the chief executive with weekly updates on progress including photos of pumps built and reports on the secondary projects. The impact of the projects would be monitored including estimates of the number of people who were assisted to have a sustainable supply of clean productive water. This country programme is the flagship endeavour of the Africa Trust, which satisfies the needs and interests of the Africa Trust's core funder AquAid, since money donated from their water cooler business is used to establish supplies of clean drinking water in poor areas of Africa. If funds allow, an eight-ton truck and/or a pick-up are needed during 2023.
2. Up to £15,000 for the year for emergency relief at the discretion of the Chief Executive.
3. A subsistence and operational allowance of up to £55,000 would be maintained for the Chief Executive to oversee, monitor and develop the field programmes. This is structured to include a formal UK net salary of £2,500 per month plus funds towards a pension scheme. This allowance can include up to £5k towards accommodation, travel, food and other basics such as air-time for phone and data needs.
4. Up to £200,000 was approved to go towards the business skills training and small loans project run by ADAF in Malawi (funding can either be direct or via Christian Aid under the REAP Malawi project).
5. Up to £200,000 would be allocated to ADAT for business skills training with loans in Zimbabwe.
6. Up to £10,000 is proposed for UK administration, including audit.

Approved Budget for 2024

Details	Income £	Expenditure £	Beneficiaries	
			Existing	New (approx.)
AquAid and other Sources	1,350,000			
Pumps, Pipelines and Relief		950,000	4,011,251	280,000
Business Skills Training (including loans, grants and agriculture)		400,000	58,240	6,000
Projects - Sub Total		1,350,000		
UK administration and audit		10,000		
TOTAL	1,350,000	1,360,000	4,069,491	286,000

* The UK Payroll is incorporated into the project management budgets.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Structure, governance and management

The Africa Trust became a registered charity, number 1147666, on 12th June 2012 having been in operation since December 2010 and is constituted under a trust deed.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mr David Fremel

Mrs Kirsten Searle

Mr Joshua Searle

The Board will next decide upon any extension to the current tenures of trustees in June 2026 for Joshua Searle and in May 2025 for David Fremel and Kirsten Searle.

New trustees are appointed by the existing trustees and serve for three to five years after which they may put themselves forward for re-appointment. The trust deed provides for a minimum of 3 trustees, to a maximum of 9 trustees, with no more than 3 trustees due for re-appointment in any one year.

All trustees give of their time freely and no trustee remuneration was paid. No expenses were claimed by any of the trustees. Trustees are required to disclose all relevant interests and register them with the chief executive and in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises.

At the quarterly trustees' meetings, the trustees agree the broad strategy and areas of activity for the Trust, including consideration of grant making, reserves and risk management policies and performance. Day-to-day administration of grants and the processing and handling of applications prior to consideration by the trustees is delegated to the chief executive. The chief executive did not claim any expenses during the year. He was able to subsidize his work with his own funds and with part of the salary paid to him by the Trust during the year. Salary payments paid to the chief executive including his pension and national insurance contributions amounted to £50,763 during the year.

The trustees formally approved arrangements complying with the ICSA guide 'Recruitment, Appointment and Induction of Charity Trustees' and now convene the Nominations Sub Committee as required both to recruit new trustees for their experience, empathy and knowledge of the charity and to keep the skills and composition of the trustee body and succession planning under review. New trustees may be sought by open advertisement or through a dialogue with potential candidates. Respecting the ethos of the Trust to continue the charitable work intended by the founders, the ultimate decision on selection is a matter for the trustees.

On appointment, new trustees commit to giving of their time and expertise. The induction process follows the ICSA good practice guide with a formal induction programme for any newly appointed trustee which includes an initial meeting with the chairman and the trustees, followed by a series of meetings with the chairman and chief executive on responsibilities of the trustee board and the sub committees. This induction includes a brief history of the Trust, copies of trustee board and subcommittee minutes, a copy of recent annual reports and accounts, a copy of the governing trust deed and a copy of the Charity Commission's guidance 'The Essential Trustee: What You Need to Know' and 'Charities and Public Benefit'.

The trustees are related parties to the charity; Kirsten Searle is a director and controlling shareholder of AquAid Franchising Limited which company is the major contributor to the Charity, donating £1,127,925 in the year 2023 (2022: £1,093,135) In addition, she personally donated £110,000 (2022: £366,250) in the year 2023, Joshua Searle donated £8,500 and David Fremel donated £4,800 (2022: £4,800).

THE AFRICA TRUST

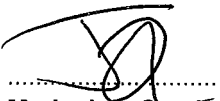
TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



Mr Joshua Searle

Trustee

Dated: 27 Aug 24

THE AFRICA TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the Trustees are required to:

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

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

THE AFRICA TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE AFRICA TRUST

Opinion

We have audited the financial statements of The Africa Trust (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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 charity'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 auditor's 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE AFRICA TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE AFRICA TRUST

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities, the Trustees 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 charity'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

We identify and assess the risks of material misstatement of the entity's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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.

We obtain 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 group's internal control.

We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

We conclude on the appropriateness of the trustees' 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 charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

We evaluate 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 (i.e. gives a true and fair view).

We communicate 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 we identify during our audit.

THE AFRICA TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE AFRICA TRUST

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:

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

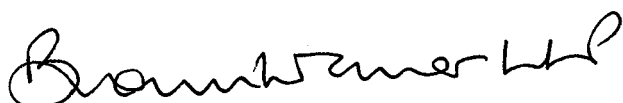
Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Brown Warner LLP

**Chartered Accountants
Statutory Auditor**

27 August 2024

38 Northgate
Newark-on-Trent
Nottinghamshire
NG24 1EZ

Brown Warner LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE AFRICA TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from:			
Donations and legacies	2	1,418,835	1,735,492
Total income		<u>1,418,835</u>	<u>1,735,492</u>
Expenditure on:			
Charitable activities	3	1,407,118	1,869,212
Total expenditure		<u>1,407,118</u>	<u>1,869,212</u>
Net income/(expenditure) and movement in funds		11,717	(133,720)
Reconciliation of funds:			
Fund balances at 1 January 2023		<u>59,597</u>	<u>193,317</u>
Fund balances at 31 December 2023		<u>71,314</u>	<u>59,597</u>

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

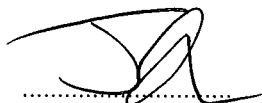
THE AFRICA TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Current assets					
Debtors	8	57,296		55,376	
Cash at bank and in hand		121,789		210,712	
		<u>179,085</u>		<u>266,088</u>	
Creditors: amounts falling due within one year	10	(107,771)		(106,491)	
Net current assets			71,314		159,597
Creditors: amounts falling due after more than one year	11		-		(100,000)
Net assets			<u>71,314</u>		<u>59,597</u>
The funds of the charity					
Unrestricted funds			71,314		59,597
			<u>71,314</u>		<u>59,597</u>

The financial statements were approved by the Trustees on 27 Aug 24



Mr Joshua Searle
Trustee

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

The Africa Trust is a Registered Charity, number 1147666.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

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

1.4 Incoming resources

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

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

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

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Cash and cash equivalents

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

1.6 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.7 Employee benefits

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

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

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

2 Donations and legacies

	Unrestricted funds general 2023 £	Unrestricted funds general 2022 £
Donations and gifts	1,418,835	1,735,492

3 Charitable activities

	2023 £	2022 £
Staff costs	50,763	51,072
Bank and other charges	74	288
Legal and professional expenses	8,600	9,896
	<u>59,437</u>	<u>61,256</u>
Grant funding of activities (see note 4)	1,347,681	1,807,956
	<u>1,407,118</u>	<u>1,869,212</u>

4 Grants payable

	2023 £	2022 £
Grants to institutions:	1,347,681	1,807,956

Included within the cost of pumps, pipelines and sanitation are grants paid to Zimbabwe Africa Trust totalling £1,138,095 (2022: £1,112,263) which is the largest recipient of funds during the year.

5 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but the chief executive was paid a salary and pension fund contributions as set out in note 6.

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

6 Employees

The average monthly number of employees, including the Trustees, during the year was:

	2023 Number	2022 Number
	4	4
	<u>4</u>	<u>4</u>

Employment costs

	2023 £	2022 £
Wages and salaries	43,263	41,072
Other pension costs	7,500	10,000
	<u>50,763</u>	<u>51,072</u>

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

7 Taxation

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

8 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	57,296	55,376
	<u>57,296</u>	<u>55,376</u>

9 Loans and overdrafts

	2023 £	2022 £
Other loans	100,000	200,000
	<u>100,000</u>	<u>200,000</u>
Payable within one year (see note 10)	100,000	100,000
Payable after one year (see note 11)	-	100,000
	<u>100,000</u>	<u>200,000</u>

A loan of £250,000 was provided by CoolerAid Limited, in August 2022 and is repayable in equal six monthly instalments of £50,000 commencing in December 2022. The loan is unsecured and is free of interest.

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Creditors: amounts falling due within one year

	2023 £	2022 £
Borrowings	100,000	100,000
Accruals and deferred income	7,771	6,491
	<u>107,771</u>	<u>106,491</u>

11 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Borrowings	-	100,000
	<u>-</u>	<u>100,000</u>

12 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	7,500	10,000
	<u>7,500</u>	<u>10,000</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

13 Unrestricted funds

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

	At 1 January 2023 £	Incoming resources £	Resources expended £	At 31 December 2023 £
General funds	59,597	1,418,835	(1,407,118)	71,314
	<u>59,597</u>	<u>1,418,835</u>	<u>(1,407,118)</u>	<u>71,314</u>
Previous year:				
	At 1 January 2022 £	Incoming resources £	Resources expended £	At 31 December 2022 £
General funds	193,317	1,735,492	(1,869,212)	59,597
	<u>193,317</u>	<u>1,735,492</u>	<u>(1,869,212)</u>	<u>59,597</u>

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

14 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2023	2022
	£	£
Aggregate compensation	51,072	50,266
	<u>51,072</u>	<u>50,266</u>

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

The trustees are related parties to the charity; Kirsten Searle is, and Paul Searle was, a director and controlling shareholder of AquAid Franchising Limited which company is the major contributor to the Charity, donating £1,127,925 in the year 2023 (2022: £1,093,135). In addition, she personally donated £110,000 (2022: £366,250) in the year 2023, Joshua Searle donated £8,500 and David Fremel donated £4,800 (2022: £4,800).

THE AFRICA TRUST

England & Wales - Charity number 1147666

Accounts

Charity registration number 1147666

THE AFRICA TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

THE AFRICA TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr David Fremel Mrs Kirsten Searle Mr Joshua Searle	(Appointed 29 July 2022)
Charity number	1147666	
Principal address	Secretary : Aidan Geraghty 10 Kings Court Willie Snaith Road Newmarket CB8 7SG	
Auditor	Brown Warner LLP 38 Northgate Newark-on-Trent Nottinghamshire NG24 1EZ	
Bankers	HSBC PLC 63 - 64 St Andrew's Street Cambridge CB2 3BZ	

THE AFRICA TRUST

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THE AFRICA TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees present their Annual Report and Financial Statements for the year ended 31 December 2022. (Previous year ended 31 December 2021).

Paul Searle, who founded The Africa Trust together with Ian Thorpe, the chief executive, died in a car accident in July 2022. He had served as Chairman for the Board of Trustees since the Trust was founded, and remained passionate about the work of the Trust until his passing. He visited and inspected the field projects on many occasions across several countries, most recently with Ian in Malawi at the end of June 2022. Paul's personal commitment to helping the needy was rooted in his Christian faith. Whenever beneficiaries thanked him, he would ask them to give all the thanks and praise to Jesus and he did the same. He joyfully and generously gave his own money in addition to the extraordinary level of funding that continues to come to The Africa Trust from AquAid, which is owned by the Searle family. Paul is greatly missed by his family, friends and all those who met him. In a meeting of the Board on 29th July 2022, it was agreed that Paul would be replaced as a trustee by his son Joshua.

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

Objectives and activities

The objectives of the Trust are:

To promote sustainable development for the benefit of people in Africa through:

- A) The relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities;
- B) The promotion of sustainable means of achieving economic growth and regeneration;
- C) The preservation, conservation and protection of the environment with a particular focus on improvements to water supply and sanitation;
- D) To advance the education of the public (in the UK and elsewhere) in subjects relating to sustainable development and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large.

'Sustainable development' means 'Development which meets the needs of the present without compromising the ability of future generations to meet their own needs.'

The Trust carries out these objectives by:

- A) Providing grants to partner organisations in Africa to fund activities which will further the Trust's charitable objectives while building the capacity of each partner.
- B) Funding research into innovations, with a particular focus on the Trust's core strength of clean water supply and sanitation.

The Trust carries out this programme through partnerships with independent organisations in various countries across Africa. These partners include the Zimbabwe Africa Trust and the Alliance Development Africa Trust in Zimbabwe, the Alliance Development Africa Foundation in Malawi, Living Business Education in Uganda and the Another Hope Foundation in Tanzania.

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

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Grant making policy

The Trust has established its grant making policy to achieve its objectives.

How the grant and research programmes delivered public benefit; a review of the achievements and performance.

Achievements and performance

The total number of beneficiaries at the start of 2022 was 3,455,703 and 320,913 new beneficiaries were added. This is the highest number of new beneficiaries added in a single year. It includes 9,347 beneficiaries for the entrepreneurial training and loans programmes, which is almost double the number planned at the start of the year. 9,347 compares to 5,162 in 2021 and 3,149 in 2020, which is astonishing growth.

A total of 1,003 new pumps were installed in 2022 (988 in 2021). This is the first time more than a thousand Elephant Pumps have been built in a single year. All of these pumps were installed in Zimbabwe. 38 new toilets were built in Tanzania along with some further improvements to the gravity-fed water pipelines.

2022 was a watershed year for the entrepreneurial training programme in Malawi. Paul and Ian visited Malawi with Christian Aid in June and both could not have been more impressed by what had been achieved, including in the partnership project with Christian Aid in which ADAF was the local implementing partner. For example, over £100,000 loaned out under this project came back in full with 0% default and was allocated to approved project activities. Paul and Ian also visited dozens of beneficiaries who had paid back their loans some years earlier and were continuing to grow their businesses and save in their village savings and loans associations.

This trip proved to be a joyful valediction for Paul, who died in a car accident the following month. It was agreed with Paul in Malawi that this programme should be expanded. Months of negotiations and planning followed, until a £1 million three-year project was developed with £500,000 funding from the Africa Trust and AquAid matched by Christian Aid. The Rural Entrepreneurship Assistance Project or REAP Malawi was born, and got underway before the end of the year with ADAF as the implementing partner. A loan of £250,000 from CoolerAid Limited, triggered the signing of contracts and commencement of REAP Malawi. £50,000 of this loan was repaid in December as per the agreed schedule.

Zimbabwe

1,003 new Elephant Pumps were built in Zimbabwe, at a per pump cost which was below the agreed target. The savings were used for other approved projects, including emergency relief. 1,003 is the highest number of pumps ever installed in a single year. Two of the project vehicles (an 8-tonne truck and a pick-up) are in need of replacement (when funds allow) after over ten years of continuous heavy usage.

There was a shift from toilet installation to hygiene education during 2022, through community-led total sanitation meetings. Such meetings have resulted in much larger numbers of households installing toilets for themselves. By offering one bag of cement per household plus training, far more toilets are being installed, benefitting many more people. It is estimated that this will slash the per person cost of sanitation to £1, from £3 for sanitation for life through the toilet installation programme. Avoiding open defecation is considered more important than strict toilet design, even though Ian Thorpe won the prestigious St Andrews Medal for the Environment for his Elephant Toilet design.

The entrepreneurial training programme in Zimbabwe grew by over 60% with 2,527 people trained compared to 1,498 in 2021. Loan repayment has continued to exceed the target of 95%, with 96% achieved in 2022. Further significant investment is needed for this programme, in the first half of 2023, for matched funding from Christian Aid to be secured. Using the REAP Malawi model, it is hoped that this planning process can be streamlined, but it involves working with a new team of Christian Aid staff based in Zimbabwe along with the UK based staff. It is hoped to launch a £1 million REAP Zimbabwe project by the end of 2023 in which £500,000 from the Africa Trust over three years from late 2023 will be matched by Christian Aid.

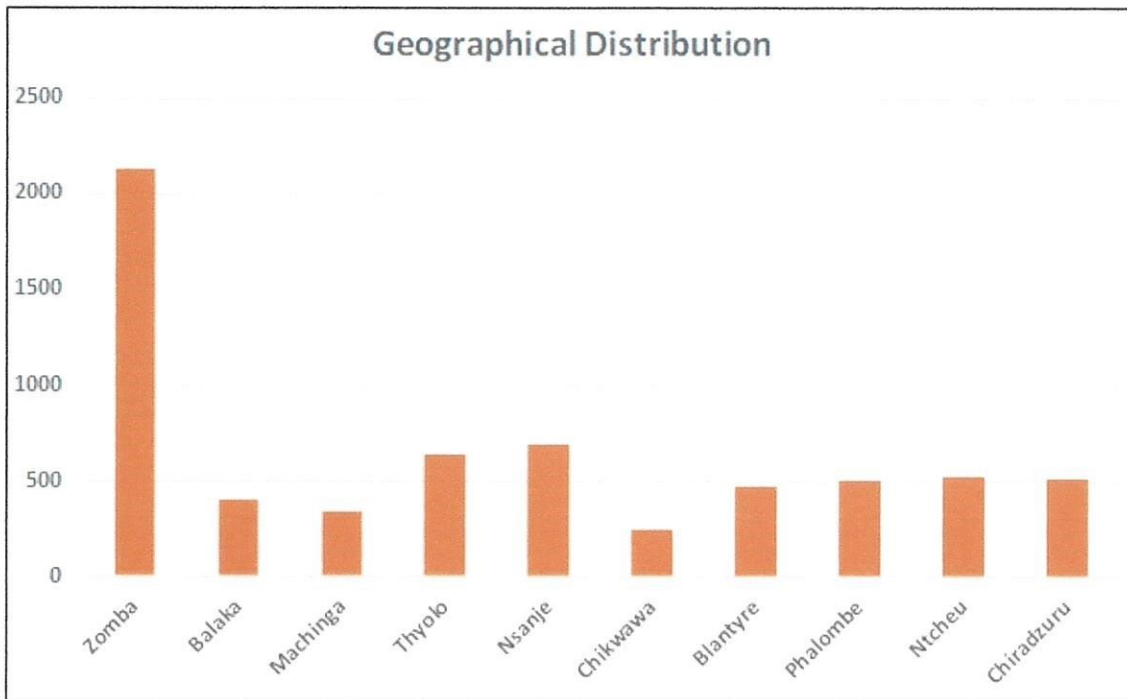
THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Malawi

6,520 people were trained in 2022 compared to 3,314 in 2021! This massive scale-up enabled the successful bid for matched funding from Christian Aid through the new REAP Malawi project, which commenced towards the end of the year. Zomba had the highest number of training classes, but nine other districts were reached during the year.



Paul and Ian met with around 40 people from a group of 387 people who had lost their homes and businesses due to floods. It was decided that all outstanding loans for the 387 would be written off, and that they would be assisted again to start new businesses. Due to the extraordinary circumstances, these failed loan repayments were excluded from the overall figure, which remained above the target of 95% during 2022 despite widespread storms and flooding that affected many areas.

A second village-level processing centre was set up where a maize grinding machine was installed, providing year-round income for the centre to be financially self-sustaining. It is hoped that much of the capital invested to set up this centre will be returned over three years, as it was set up as a long-term loan with the local community. A deep drilled borehole was installed to assist the village of Chitengu. This was visited by the chief executive in June 2022, and was working well.

In 2022, the Africa Trust's entrepreneurial training with loans programme in Malawi became one of the largest micro-credit organisations in the whole country, in terms of the number of people benefitting from the loans and the village banks that have been established and continue to operate. 2022 was also a watershed year as the programme reached the scale needed to secure a larger multi-year grant from Christian Aid.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Tanzania

38 toilets were built in Tanzania along with further extension of the gravity-fed pipelines, which provide clean water to tens of thousands of people. This extension was possible due to the increased flow following a large-scale maintenance operation in 2021, which involved clearing sedimentation, re-levelling sections and replacing inlet filter systems.

Uganda

In 2022, there were 271 business skills training graduates against a planned target of 240. The level of funding for LBE remained quite low, at £12,000 for the entire year, but as previously mentioned, the historical support from The Africa Trust has allowed LBE and its director to grow and develop considerable influence. It is however clear that funds invested in Uganda do not have an equivalent impact to the same amount invested in Malawi or Zimbabwe. Continued funding has much to do with a sense of loyalty to Livingstone, who is excellent. It was agreed to end funding for Uganda at the end of 2023. It was hard to justify continued investment there, when there is such huge potential for expansion in Malawi and Zimbabwe. Livingstone would be asked to write a description of all achievements from Africa Trust funding in Uganda. The chief executive would continue to provide Livingstone some support when requested, such as assistance in writing funding proposals.

Monitoring achievement

All partner organisations provide regular updates on progress including accounts, narrative reports and photos for all the projects. There are a number of layers of monitoring both internally, within the partner organisations, and externally, including regular visits (normally) and continuous remote monitoring by the chief executive, independent monitoring exercises, trustee visits to projects and regular checking of progress for all field programmes against agreed milestones. Senior personnel from the partner organisations are also sent by the chief executive to visit the Africa Trust funded projects in other countries for training and monitoring purposes. The trustees of The Africa Trust review progress through formal quarterly meetings and keep up to date with regular phone calls and email exchanges.

Financial review

In total, incoming resources for the calendar year 2022 amounted to £1,735,492 (2021: £1,641,159) from which grants and payments to partners and projects, including the chief executive's remuneration, of £1,859,028 (2021: £1,653,707) have been made. Governance costs of £8,184 (2021: £6,370) have been deducted leaving a deficit of £131,720 (2021: deficit £18,918) to be deducted from reserves.

The trustees agreed that the minimum level of free reserves would normally be maintained at £100,000 with £50,000 as the minimum in exceptional circumstances, with prior arrangement and agreement of the entire board.

Total assets at the end of 2022 amounted to £266,088. However, with £204,491 in liabilities, including £200,000 outstanding for the long-term loan from CoolerAid Limited, the actual level of free reserves at the end of 2022 was £59,597. This is below the normal target of £100,000 that was set as a minimum level for free reserves.

However, £135,000 was sent via Christian Aid to Malawi in November, to unlock matched funding and cover more than half of the Africa Trust's commitment to the REAP Malawi project, implemented by ADAF, which lasts three years. This temporary lower level of reserves was therefore deemed acceptable and was planned for well in advance by the trustees in liaison with the chief executive.

Experience in 2020 demonstrated that operations can be scaled down and up quite rapidly in response to changes in the flow of funding. It was therefore decided by the trustees that temporary periods where free reserves fall below the normal minimum of £100,000 (but still above £50,000) were acceptable, with prior arrangement and agreement of the entire board.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Risks

The trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

The major risk is the extent to which the grants awarded will further the aims of the Trust due to operational challenges on the ground. The trustees manage this risk and seek to maximize the positive impact by regularly reviewing the outputs and activities of all implementing partners and by reviewing the funding to each partner according to their monitored achievements. In 2022, the Covid pandemic continued to be a risk factor due to the impact on revenue streams and project implementation. There was successful mitigation of this risk and the planned output targets were achieved and generally exceeded despite various challenges.

Grants Approved for the Period January 2023 – December 2023

1. At least £900,000 will be allocated to the Zimbabwe Africa Trust (ZAT) primarily for the core programme of installing and maintaining Elephant Pumps to provide clean water in poor rural communities in Zimbabwe including allocation to sanitation projects and emergency relief. Under the terms of this grant, ZAT would commit to installing one new pump for every one thousand two hundred pounds provided. As ZAT is a non-profit organization, any funds saved would be used by ZAT to: install additional pumps, improve capacity such as vehicles and to invest in secondary projects to relieve poverty and emergency relief for those in desperate situations. ZAT would be expected to provide the chief executive with weekly updates on progress including photos of pumps built and reports on the secondary projects. The impact of the projects would be monitored including estimates of the number of people who were assisted to have a sustainable supply of clean productive water. This country programme is the flagship endeavour of the Africa Trust, which satisfies the needs and interests of the Africa Trust's core funder AquAid, since money donated from their water cooler business is used to establish supplies of clean drinking water in poor areas of Africa. If additional funds allow, two new vehicles are needed during 2023.
1. A grant of up to £15,000 for the year to Living Business Education (LBE) in Uganda for the on-going business skills training and mentoring programme and some VSLA training. This would include a bonus of £3k to Livingstone to produce a document, summarising achievements with Africa Trust funding over the last 12 years.
1. A grant of up to £60,000 was agreed for the Another Hope Foundation (AHF) in Tanzania for the water and sanitation programme in that country.
1. Up to £15,000 for the year for emergency relief at the discretion of the Chief Executive.
1. A subsistence and operational allowance of up to £55,000 would be maintained for the Chief Executive to oversee, monitor and develop the field programmes. This is structured to include a formal UK net salary of £2,500 per month plus funds towards a pension scheme. This allowance can include up to £5k towards accommodation, travel, food and other basics such as air-time for phone and data needs.
1. Up to £200,000 was approved to go towards the business skills training and small loans project run by ADAF in Malawi.
1. Up to £250,000 would be allocated to ADAT for business skills training with loans in Zimbabwe.
1. Up to £10,000 is proposed for UK admin, including audit.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Approved Budget for 2023

Details	Income £	Expenditure £	Beneficiaries	
			Existing	New (approx.)
AquAid and other Contributions	1,700,000			
Pumps, Pipelines and Relief		1,000,000	3,724,705	280,000
Business Skills Training (including loans and grants)		500,000	43,031	5,000
Agriculture (processing centres)		5,000	8,880	500
Projects - Sub Total		1,505,000		
UK admin and audit		10,000		
TOTAL	1,700,000	1,515,000	3,776,616	285,500

* The UK Payroll is incorporated into the project management budgets.

Structure, governance and management

The Africa Trust became a registered charity, number 1147666, on 12th June 2012 having been in operation since December 2010 and is constituted under a trust deed.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mr David Fremel

Mrs Kirsten Searle

Mr Joshua Searle

(Appointed 29 July 2022)

The Board will next decide upon any extension to the current tenures of trustees in June 2026 for Joshua Searle and in May 2025 for David Fremel and Kirsten Searle.

New trustees are appointed by the existing trustees and serve for three to five years after which they may put themselves forward for re-appointment. The trust deed provides for a minimum of 3 trustees, to a maximum of 9 trustees, with no more than 3 trustees due for re-appointment in any one year.

All trustees give of their time freely and no trustee remuneration was paid. No expenses were claimed by any of the trustees. Trustees are required to disclose all relevant interests and register them with the chief executive and in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises.

At the quarterly trustees' meetings, the trustees agree the broad strategy and areas of activity for the Trust, including consideration of grant making, reserves and risk management policies and performance. Day-to-day administration of grants and the processing and handling of applications prior to consideration by the trustees is delegated to the chief executive. The chief executive did not claim any expenses during the year. He was able to subsidize his work with his own funds and with part of the salary paid to him by the Trust during the year. Salary payments paid to the chief executive including his pension and national insurance contributions amounted to £51,072 during the year.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees formally approved arrangements complying with the ICSA guide 'Recruitment, Appointment and Induction of Charity Trustees' and now convene the Nominations Sub Committee as required both to recruit new trustees for their experience, empathy and knowledge of the charity and to keep the skills and composition of the trustee body and succession planning under review. New trustees may be sought by open advertisement or through a dialogue with potential candidates. Respecting the ethos of the Trust to continue the charitable work intended by the founders, the ultimate decision on selection is a matter for the trustees.

On appointment, new trustees commit to giving of their time and expertise. The induction process follows the ICSA good practice guide with a formal induction programme for any newly appointed trustee which includes an initial meeting with the chairman and the trustees, followed by a series of meetings with the chairman and chief executive on responsibilities of the trustee board and the sub committees. This induction includes a brief history of the Trust, copies of trustee board and subcommittee minutes, a copy of recent annual reports and accounts, a copy of the governing trust deed and a copy of the Charity Commission's guidance 'The Essential Trustee: What You Need to Know' and 'Charities and Public Benefit'.

The trustees are related parties to the charity; Kirsten Searle is, and Paul Searle was, a director and controlling shareholder of AquAid Franchising Limited which company is the major contributor to the Charity, donating £1,093,135 in the year 2022 (2021: £1,024,549) In addition, they personally donated £366,250 (2021: £322,040) in the year 2022 and David Fremel donated £4,800 (2021: £4,800).

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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



Mr Joshua Searle

Trustee

Dated: 21-06-23

THE AFRICA TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the Trustees are required to:

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

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

THE AFRICA TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE AFRICA TRUST

Opinion

We have audited the financial statements of The Africa Trust (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2022 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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 charity'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 auditor's 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE AFRICA TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE AFRICA TRUST

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities, the Trustees 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 charity'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

We identify and assess the risks of material misstatement of the entity's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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.

We obtain 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 group's internal control.

We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

We conclude on the appropriateness of the trustees' 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 charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

We evaluate 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 (i.e. gives a true and fair view).

We communicate 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 we identify during our audit.

THE AFRICA TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE AFRICA TRUST

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:

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

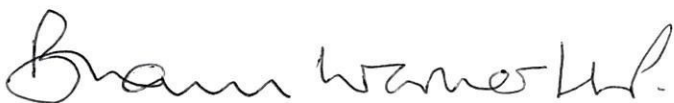
Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Brown Warner LLP

**Chartered Accountants
Statutory Auditor**

30 June 2023

38 Northgate
Newark-on-Trent
Nottinghamshire
NG24 1EZ

Brown Warner LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE AFRICA TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022 £	Unrestricted funds 2021 £
<u>Income from:</u>	Notes		
Donations and legacies	2	1,735,492	1,641,159
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	3	1,869,212	1,660,077
		<hr/>	<hr/>
Net expenditure for the year/ Net movement in funds		(133,720)	(18,918)
Fund balances at 1 January 2022		193,317	212,235
		<hr/>	<hr/>
Fund balances at 31 December 2022		59,597	193,317
		<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

THE AFRICA TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Debtors	8	55,376		52,460	
Cash at bank and in hand		210,712		145,224	
		<u>266,088</u>		<u>197,684</u>	
Creditors: amounts falling due within one year	10	(106,491)		(4,367)	
Net current assets			159,597		193,317
Creditors: amounts falling due after more than one year	11		(100,000)		-
Net assets			<u>59,597</u>		<u>193,317</u>
Income funds					
Unrestricted funds - general			59,597		193,317
			<u>59,597</u>		<u>193,317</u>

The financial statements were approved by the Trustees on 21-06-23



Mr Joshua Searle
Trustee

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

The Africa Trust is a Registered Charity, number 1147666.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

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

1.4 Incoming resources

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

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

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

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Cash and cash equivalents

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

1.6 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.7 Employee benefits

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

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

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

2 Donations and legacies

	Unrestricted funds general 2022 £	Unrestricted funds general 2021 £
Donations and gifts	1,735,492	1,641,159

3 Charitable activities

	2022 £	2021 £
Staff costs	51,072	50,266
Bank and other charges	288	150
Legal and professional expenses	9,896	6,220
	<u>61,256</u>	<u>56,636</u>
Grant funding of activities (see note 4)	1,807,956	1,603,441
	<u>1,869,212</u>	<u>1,660,077</u>

4 Grants payable

	2022 £	2021 £
Grants to institutions:	1,807,956	1,603,441

Included within the cost of pumps, pipelines and sanitation are grants paid to Zimbabwe Africa Trust totalling £1,112,263 (2021: £1,167,022) which is the largest recipient of funds during the year.

5 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but the chief executive was paid a salary and pension fund contributions as set out in note 6.

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

6 Employees

The average monthly number of employees, including the Trustees, during the year was:

	2022	2021
	Number	Number
	4	4
	<u>4</u>	<u>4</u>
Employment costs	2022	2021
	£	£
Wages and salaries	41,072	40,266
Other pension costs	10,000	10,000
	<u>51,072</u>	<u>50,266</u>

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

7 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

8 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	55,376	52,460
	<u>55,376</u>	<u>52,460</u>

9 Loans and overdrafts

	2022	2021
	£	£
Other loans	200,000	-
	<u>200,000</u>	<u>-</u>
Payable within one year (see note 10)	100,000	-
Payable after one year (see note 11)	100,000	-
	<u>200,000</u>	<u>-</u>

A loan of £250,000 was provided by CoolerAid Limited, in August 2022 and is repayable in equal six monthly instalments of £50,000 commencing in December 2022. The loan is unsecured and is free of interest.

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

10 Creditors: amounts falling due within one year

	2022 £	2021 £
Borrowings	100,000	-
Accruals and deferred income	6,491	4,367
	<u>106,491</u>	<u>4,367</u>

11 Creditors: amounts falling due after more than one year

	2022 £	2021 £
Borrowings	100,000	-
	<u>100,000</u>	<u>-</u>

12 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2022 £	2021 £
Aggregate compensation	51,072	50,266
	<u>51,072</u>	<u>50,266</u>

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

The trustees are related parties to the charity; Kirsten Searle is, and Paul Searle was, a director and controlling shareholder of AquAid Franchising Limited which company is the major contributor to the Charity, donating £1,093,135 in the year 2022 (2021: £1,024,549). In addition, they donated £366,250 (2021: £322,040) personally in the year 2022 and David Fremel donated £4,800 (2021: £4,800).

THE AFRICA TRUST

England & Wales - Charity number 1147666

Accounts

Charity registration number 1147666

THE AFRICA TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

THE AFRICA TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees Mr David Fremel
Mrs Kirsten Searle
Mr Joshua Searle (Appointed 29 July 2022)

Charity number 1147666

Principal address Secretary : Aidan Geraghty
10 Kings Court
Willie Snaith Road
Newmarket
CB8 7SG

Auditor Brown Warner LLP
38 Northgate
Newark-on-Trent
Nottinghamshire
NG24 1EZ

Bankers HSBC PLC
63 - 64 St Andrew's Street
Cambridge
CB2 3BZ

THE AFRICA TRUST

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THE AFRICA TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their Annual Report and Financial Statements for the year ended 31 December 2021. (Previous year ended 31 December 2020).

Paul Searle, who founded The Africa Trust together with Ian Thorpe, died in a car accident in July 2022. He had served as Chairman for the Board of Trustees since the Trust was founded, and remained passionate about the work of the Trust until his passing. He visited and inspected the field projects on many occasions across several countries, most recently with Ian in Malawi at the end of June 2022. Paul's personal commitment to helping the needy was rooted in his Christian faith. Whenever beneficiaries thanked him, he would ask them to give all the thanks and praise to Jesus and he did the same. He joyfully and generously gave his own money in addition to the extraordinary level of funding that continues to come to The Africa Trust from AquAid, which is owned by the Searle family. Paul is greatly missed by his family, friends and all those who met him. In a meeting of the Board on 29th July 2022, it was agreed that Paul would be replaced as a trustee by his son Joshua.

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

Objectives and activities

The objectives of the Trust are:

To promote sustainable development for the benefit of people in Africa through:

- A) The relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities;
- B) The promotion of sustainable means of achieving economic growth and regeneration;
- C) The preservation, conservation and protection of the environment with a particular focus on improvements to water supply and sanitation;
- D) To advance the education of the public (in the UK and elsewhere) in subjects relating to sustainable development and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large.

'Sustainable development' means 'Development which meets the needs of the present without compromising the ability of future generations to meet their own needs.'

The Trust carries out these objectives by:

- A) Providing grants to partner organizations in Africa to fund activities which will further the Trust's charitable objectives while building the capacity of each partner.
- B) Funding research into innovations, with a particular focus on the Trust's core strength of clean water supply and sanitation.

The Trust carries out this programme through partnerships with independent organisations in various countries across Africa. These partners include the Zimbabwe Africa Trust, the Alliance Development Africa Foundation in Malawi, Living Business Education in Uganda, the Better Living Initiative in Kenya, and the Another Hope Foundation in Tanzania.

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

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Grant making policy

The Trust has established its grant making policy to achieve its objectives.

How the grant and research programmes delivered public benefit; a review of the achievements and performance.

Achievements and performance

How the programmes delivered public benefit: A review of activities, achievements and performance. The total number of beneficiaries at the start of 2021 was 3,168,500 and 287,203 new beneficiaries were added.

A total of 988 new pumps were installed in 2021 compared to 857 in 2020. All of these pumps were installed in Zimbabwe. 39 new toilets were built in Tanzania along with significant improvement to the gravity-fed water pipelines. A pharmacy/clinic was established in the Mutasa District of Zimbabwe. A total of 5,162 new beneficiaries were added to the business skills training programme (3,314 in Malawi, 1,498 in Zimbabwe and 350 in Uganda). This represents a massive increase from 3,149 beneficiaries in 2020, which was mainly due to the new programme commenced in Zimbabwe. Over twelve thousand new businesses have been set up to date as a result of this work across three countries.

2021 was a year of recovery, with a gradual reduction in the ongoing impact of the Covid pandemic. There were however still some local lockdowns and travel restrictions. Despite this, outputs and achievements exceeded the planned targets. It was possible to retain a healthy level of year-end reserves, with a reduction of £18,918 leaving £193,317. This is well above the prescribed minimum of £100,000 according to the agreed reserves policy.

Zimbabwe

988 new Elephant Pumps were built in Zimbabwe, at a per pump cost which was just below the agreed target. The savings were used for other approved projects, including emergency relief. A pharmacy/clinic was established in Mutasa District. 988 is the highest number of pumps ever installed in a single year, which was possible because the chief executive negotiated an exemption to strict lockdown rules that were generally imposed. This exemption was approved due to the work being classified as a vital front-line health operation. Pump installation work is also done in the open air, which is considered low risk.

Plans for community led total sanitation meetings were not possible as these would have required large numbers of people to gather. Staff who were allocated to toilet installation were moved to pump building. It was however possible to conduct monitoring exercises to investigate the impact of previous sanitation work. As a result, there will be a shift from toilet installation to more public hygiene education from 2022, through community led total sanitation meetings. Such meetings have resulted in large numbers of households installing toilets for themselves, hence the total number of beneficiaries to date was found to be higher than previously recorded. By offering one or two bags of cement per household plus training, far more toilets will be installed, benefitting many more people.

The additional implementing partner in Zimbabwe, the Alliance Development Africa Trust, exceeded its original target for entrepreneurial training of 500 by almost 200% and then even surpassed the revised target of 1,000 by nearly 50% with 1,498 people trained. This new project has proved to be extraordinarily successful in its first year, building on the framework that was developed with ADAF in Malawi. The level of demand for this project is unprecedented. Thousands of people are clamouring to be enrolled in the classes in the high density per-urban areas around Harare, where levels of poverty are extremely severe. Where a class of around 40 people are enrolled for training, it is not unusual for over 200 people to show up on the first day. During the course of the year, the generosity of Paul Searle and his family allowed for significant expansion, beyond the approved targets. Further expansion is planned for 2022

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Malawi

The implementing partner ADAF has continued to perform well during a further period of expansion. The chair and chief executive assisted in securing significant funding for them from Christian Aid in addition to the ongoing funding from The Africa Trust. The level of loan repayment continues to exceed 95%. The chief executive helped to ensure that ADAF has excelled in the timeliness and quality of project monitoring outputs and reporting to Christian Aid as a way to build their capacity. It is clear that Christian Aid now see the potential of this project. The chief executive and chair are assisting ADAF to secure a further funding agreement from Christian Aid from July 2022.

A village level processing centre for de-husking pigeon peas to produce dhal, was set up to add value and increase the income for local farmers. The husks are not discarded, as they have value for animal feed. In addition to the de-husking machine, a maize grinding machine was installed in the same building, to provide year-round income for the centre to be financially self-sustaining. A second such centre is planned to come on line in 2022. ADAF trained 3,314 people in 2021, which exceeded the ambitious target of 3,000. The number of village banks (village savings and loans associations) that were established, exceeded the target of 100 by 46. It is important to note that these savings clubs continue to operate after loans are repaid, creating an invaluable source of micro-finance.

Tanzania

39 toilets were built in Tanzania along with a major overhaul of the gravity-fed pipelines, which provide clean water to tens of thousands of people. This large-scale maintenance operation, which may be needed every ten years or so, involves clearing sedimentation, re-levelling sections and replacing inlet filter systems. Replacement of the taps on the standpipes is a community responsibility, and some were found to be in poor condition with wastage of water due to leakage. Meetings were held to encourage the community to focus more on maintenance and to save towards the next major maintenance operation in around 2030. This may however be quite challenging, as so little work has been needed over the last ten years that the community maintenance committees had become defunct. The communities have started to forget how much they were previously paying to buy water before the pipelines were installed. Official government approval is still needed for the Elephant Pump technology before expansion of this programme can proceed. The demonstration pumps that were installed, continue to work well.

Uganda

In 2021, there were 350 business skills training graduates mainly in Kampala and Wakiso. This is an increase of 40 from the previous year. The level of funding for LBE remained low, at £6,000 for the entire year, however the historical support by The Africa Trust has allowed LBE and its director to grow and develop considerable influence. The books LBE have published (The Great Financial Rebuild and Investing for The Future) have been widely read and are some of the most recommended books on financial literacy and starting a small business in Uganda. Having built Mazima Retirement Plan, Uganda's first informal sector pension scheme, LBE have continued to play a role in shaping Uganda's social security agenda. Livingstone now sits on the technical committee of the Ministry of Gender and Social affairs of the Uganda Government, representing the informal economy.

Director Livingstone and project leader Rebecca also created an online business and financial training class that reached 500 people during 2021 and impacted many more through social media channels. They provided mentoring support to four Village Savings and Loans Associations with a total membership of 286. These four VSLAs had previously been established with support from The Africa Trust and have grown to achieve annual savings in excess of £30,000. This allows members to borrow money to establish small business ventures, then repay their loans.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Monitoring achievement

All partner organizations provide regular updates on progress including accounts, narrative reports and photos for all the projects. There are a number of layers of monitoring both internally, within the partner organizations, and externally, including regular visits (normally) and continuous remote monitoring by the chief executive, independent monitoring exercises, trustee visits to projects and regular checking of progress for all field programmes against agreed milestones. Senior personnel from the partner organisations are also sent by the chief executive to visit the Africa Trust funded projects in other countries for training and monitoring purposes. The trustees of The Africa Trust review progress through formal quarterly meetings and keep up to date with regular phone calls and email exchanges. It was not possible for the chief executive to visit field projects during 2021 due to travel restrictions however he continued to monitor all projects remotely and will resume visits in 2022. He was also still able to task and fund personnel from partner organisations to visit other country projects for independent monitoring purposes.

Financial review

In total, incoming resources for the calendar year 2021 amounted to £1,641,159 (2020: £1,185,979) from which grants and payments to partners and projects, including the chief executive's remuneration, of £1,653,707 (2020: £1,198,218) have been made. Governance costs of £6,370 (2020: £12,282) have been deducted leaving a deficit of £18,918 (2020: deficit £24,521) to be deducted from reserves.

The trustees agreed that the minimum level of free reserves would be maintained at £100,000.

The balance of unrestricted funds at 31st December 2021 was £193,317, all of which is regarded as free reserves, against a one month projected spend of around £100,000 for the first month of 2022. The current level of reserves is therefore well above the approved minimum. Experience in 2020 demonstrated that operations can be scaled down and up quite rapidly in response to changes in the flow of funding. It is therefore felt by the trustees that holding a higher level of reserves is not necessary and would reduce the number of beneficiaries. Nevertheless, the chief executive was encouraged to consider £100,000 as a minimum, with a figure closer to £200,000 being ideal.

Risks

The trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

The major risk is the extent to which the grants awarded will further the aims of the Trust due to operational challenges on the ground. The trustees manage this risk and seek to maximize the positive impact by regularly reviewing the outputs and activities of all implementing partners and by reviewing the funding to each partner according to their monitored achievements. In 2021, the Covid pandemic continued to be a risk factor due to the impact on revenue streams and project implementation. There was successful mitigation of this risk and the planned output targets were achieved and generally exceeded despite various challenges.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Grants Approved for the Period January 2022 – December 2022

Trustees approved the following grants and funding for the coming year:

1. Up to £900,000 will be allocated to the Zimbabwe Africa Trust (ZAT) primarily for the core programme of installing and maintaining Elephant Pumps to provide clean water in poor rural communities in Zimbabwe including some allocation to sanitation projects and emergency relief. Under the terms of this grant, ZAT would commit to installing one new pump for every one thousand two hundred pounds provided. As ZAT is a non-profit organization, any funds saved would be used by ZAT to: install additional pumps, improve capacity such as vehicles and to invest in secondary projects to relieve poverty and emergency relief for those in desperate situations. ZAT would be expected to provide the chief executive with weekly updates on progress including photos of pumps built and reports on the secondary projects. The impact of the projects would be monitored including estimates of the number of people who were assisted to have a sustainable supply of clean productive water. This country programme is the flagship endeavour of the Africa Trust, which satisfies the needs and interests of the Africa Trust's core funder AquAid, since money donated from their water cooler business is used to establish supplies of clean drinking water in poor areas of Africa.
2. A grant of up to £15,000 was approved for the year to Living Business Education (LBE) in Uganda for the on-going business skills training and mentoring programme and some VSLA training.
3. A grant of up to £60,000 was approved for the Another Hope Foundation (AHF) in Tanzania for the water and sanitation programme in that country.
4. Up to £15,000 was approved for the Better Living Initiative organization in Kenya if requested. The primary use of this grant would be to provide training and loans to poor people for them to start up small business ventures along with VSLA training.
5. Up to £15,000 was approved for the year for emergency relief at the discretion of the Chief Executive.
6. A subsistence and operational allowance of up to £55,000 was approved for the Chief Executive to oversee, monitor and develop the field programmes. This was structured to include a formal UK net salary of £2,500 per month plus funds towards a pension scheme. This allowance can include accommodation, travel, food and other basics such as air-time for phone and data needs.
7. Up to £260,000 was allocated to the business skills training and small loans project run by ADAF in Malawi. Included in this is £10,000 towards the pigeon pea processing centre projects.
8. Up to £200,000 was allocated to ADAT for business skills and VSLA training with loans in Zimbabwe.
9. Up to £10,000 was approved for UK admin including audit.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Approved Budget for 2022

Details	Income £	Expenditure £	Beneficiaries	
			Existing	New (approx.)
AquAid and other Contributions	1,500,000			
Pumps, Pipelines and Relief		970,000	3,379,516	275,000
Business Skills Training (including loans and grants)		470,000	33,684	5,000
Agriculture (processing centres)		10,000	6,855	500
Improved Sanitation		15,000	35,648	1,200
Projects - Sub Total		1,465,000		
UK admin and audit		10,000		
TOTAL	1,500,000	1,475,000	3,455,703	281,700

* The UK Payroll is incorporated into the project management budgets.

Structure, governance and management

The Africa Trust became a registered charity, number 1147666, on 12th June 2012 having been in operation since December 2010 and is constituted under a trust deed.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mr David Fremel

Mrs Kirsten Searle

Mr Paul Searle (Deceased 6 July 2022)

Mr Joshua Searle (Appointed 29 July 2022)

Paul Searle, David Fremel and Kirsten Searle were the founding trustees of The Africa Trust. The Board will next decide upon any extension to their current tenures in May 2023.

New trustees are appointed by the existing trustees and serve for three to five years after which they may put themselves forward for re-appointment. The trust deed provides for a minimum of 3 trustees, to a maximum of 9 trustees, with no more than 3 trustees due for re-appointment in any one year.

All trustees give of their time freely and no trustee remuneration was paid. No expenses were claimed by any of the trustees. Trustees are required to disclose all relevant interests and register them with the chief executive and in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises.

At the quarterly trustees' meetings, the trustees agree the broad strategy and areas of activity for the Trust, including consideration of grant making, reserves and risk management policies and performance. Day-to-day administration of grants and the processing and handling of applications prior to consideration by the trustees is delegated to the chief executive. The chief executive did not claim any expenses during the year. He was able to subsidize his work with his own funds and with part of the salary paid to him by the Trust during the year. Salary payments paid to the chief executive including his pension and national insurance contributions amounted to £50,266 during the year.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees formally approved arrangements complying with the ICSA guide 'Recruitment, Appointment and Induction of Charity Trustees' and now convene the Nominations Sub Committee as required both to recruit new trustees for their experience, empathy and knowledge of the charity and to keep the skills and composition of the trustee body and succession planning under review. New trustees may be sought by open advertisement or through a dialogue with potential candidates. Respecting the ethos of the Trust to continue the charitable work intended by the founders, the ultimate decision on selection is a matter for the trustees.

On appointment, new trustees commit to giving of their time and expertise. The induction process follows the ICSA good practice guide with a formal induction programme for any newly appointed trustee which includes an initial meeting with the chairman and the trustees, followed by a series of meetings with the chairman and chief executive on responsibilities of the trustee board and the sub committees. This induction includes a brief history of the Trust, copies of trustee board and subcommittee minutes, a copy of recent annual reports and accounts, a copy of the governing trust deed and a copy of the Charity Commission's guidance 'The Essential Trustee: What You Need to Know' and 'Charities and Public Benefit'.

The trustees are related parties to the charity; Kirsten and Paul Searle were directors and controlling shareholders of AquAid Franchising Limited which company is the major contributor to the Charity, donating £1,024,549 in the year 2021 (2020: £808,976) In addition, they personally donated £322,040 (2020: £172,000) in the year 2021 and David Fremel donated £4,800 (2020: £4,800).

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

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

Mr Joshua Searle

Trustee

Dated: 6 October 2022

THE AFRICA TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the Trustees are required to:

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

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

THE AFRICA TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE AFRICA TRUST

Opinion

We have audited the financial statements of The Africa Trust (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet and notes to the financial statements, including significant accounting policies. 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).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2021 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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 charity'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 auditor's 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 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.

THE AFRICA TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE AFRICA TRUST

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities, the Trustees 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 charity'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

We identify and assess the risks of material misstatement of the entity's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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.

We obtain 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 group's internal control.

We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

We conclude on the appropriateness of the trustees' 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 charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

We evaluate 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 (i.e. gives a true and fair view).

THE AFRICA TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE AFRICA TRUST

We communicate 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 we identify during our audit.

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:

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Brown Warner LLP

7 October 2022

**Chartered Accountants
Statutory Auditor**

38 Northgate
Newark-on-Trent
Nottinghamshire
NG24 1EZ

Brown Warner LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE AFRICA TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Income from:			
Donations and legacies	2	1,641,159	1,185,979
		<hr/>	<hr/>
Expenditure on:			
Charitable activities	3	1,660,077	1,210,500
		<hr/>	<hr/>
Net expenditure for the year/ Net movement in funds		(18,918)	(24,521)
Fund balances at 1 January 2021		212,235	236,756
		<hr/>	<hr/>
Fund balances at 31 December 2021		193,317	212,235
		<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

THE AFRICA TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Current assets					
Debtors	7	52,460		45,160	
Cash at bank and in hand		145,224		171,427	
		<u>197,684</u>		<u>216,587</u>	
Creditors: amounts falling due within one year	8	(4,367)		(4,352)	
Net current assets			<u>193,317</u>		<u>212,235</u>
Income funds					
Unrestricted funds - general			193,317		212,235
			<u>193,317</u>		<u>212,235</u>

The financial statements were approved by the Trustees on 6 October 2022

Mr Joshua Searle
Trustee

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

The Africa Trust is a Registered Charity, number 1147666.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

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

1.4 Incoming resources

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

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

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

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.5 Cash and cash equivalents

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

1.6 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.7 Employee benefits

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

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

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

2 Donations and legacies

	Unrestricted funds general 2021 £	Unrestricted funds general 2020 £
Donations and gifts	1,641,159	1,185,979

3 Charitable activities

	2021 £	2020 £
Staff costs	50,266	48,809
Bank and other charges	150	82
Legal and professional expenses	6,220	12,200
	<u>56,636</u>	<u>61,091</u>
Grant funding of activities (see note 4)	1,603,441	1,149,409
	<u>1,660,077</u>	<u>1,210,500</u>

4 Grants payable

	2021 £	2020 £
Grants to institutions:	1,603,441	1,149,409

Included within the cost of pumps, pipelines and filters are grants paid to Zimbabwe Africa Trust totalling £1,167,022 (2020: £963,209) which is the largest recipient of funds during the year.

5 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but the chief executive was paid a salary and pension fund contributions as set out in note 6.

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6 Employees

The average monthly number of employees, including the Trustees, during the year was:

	2021 Number	2020 Number
	4	4

Employment costs

	2021 £	2020 £
Wages and salaries	40,266	38,809
Other pension costs	10,000	10,000
	<u>50,266</u>	<u>48,809</u>

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

7 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	52,460	45,160

8 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	4,367	4,352

9 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	50,266	48,809

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

9 Related party transactions

(Continued)

The trustees are related parties to the charity; Kirsten and Paul Searle were directors and controlling shareholders of AquAid Franchising Limited which company is the major contributor to the Charity, donating £1,024,549 in the year 2021 (2020: £808,976) In addition, they donated £322,040 (2020: £172,000) personally in the year 2021 and David Fremel donated £4,800 (2020: £4,800).

THE AFRICA TRUST

England & Wales - Charity number 1147666

Accounts

Charity Registration No. 1147666

THE AFRICA TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

THE AFRICA TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr David Fremel Mrs Kirsten Searle Mr Paul Searle
Charity number	1147666
Principal address	Secretary : Aidan Geraghty 10 Kings Court Willie Snaith Road Newmarket CB8 7SG
Auditor	Brown Warner LLP 38 Northgate Newark-on-Trent Nottinghamshire NG24 1EZ
Bankers	HSBC PLC 63 - 64 St Andrew's Street Cambridge CB2 3BZ

THE AFRICA TRUST

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Balance sheet	12
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THE AFRICA TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees present their Annual Report and Financial Statements for the year ended 31 December 2020. (Previous year ended 31 December 2019).

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

The objectives of the Trust are:

To promote sustainable development for the benefit of people in Africa through:

- A) The relief of poverty and the improvement of the conditions of life in socially and economically disadvantaged communities;
- B) The promotion of sustainable means of achieving economic growth and regeneration;
- C) The preservation, conservation and protection of the environment with a particular focus on improvements to water supply and sanitation;
- D) To advance the education of the public (in the UK and elsewhere) in subjects relating to sustainable development and to promote study and research in such subjects provided that the useful results of such study are disseminated to the public at large.

'Sustainable development' means 'Development which meets the needs of the present without compromising the ability of future generations to meet their own needs.'

The Trust carries out these objectives by:

- A) Providing grants to partner organizations in Africa to fund activities which will further the Trust's charitable objectives while building the capacity of each partner.
- B) Funding research into innovations, with a particular focus on the Trust's core strength of clean water supply and sanitation.

The Trust carries out this programme through partnerships with independent organisations in various countries across Africa. These partners include the Zimbabwe Africa Trust, the Alliance Development Africa Foundation in Malawi, Living Business Education in Uganda, the Better Living Initiative in Kenya, and the Another Hope Foundation in Tanzania.

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

Grant making policy

The Trust has established its grant making policy to achieve its objectives.

How the grant and research programmes delivered public benefit; a review of the achievements and performance.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance

The total number of beneficiaries at the start of 2020 was 2,909,403 and 259,097 new beneficiaries were added by the end of the year. This pushed the total number of beneficiaries past three million as The Africa Trust commences its ten-year anniversary year in 2021.

A total of 857 new pumps were installed in 2020 compared to 912 in 2019. All of these pumps were installed in Zimbabwe. 102 new toilets were built including 45 in Tanzania, and 57 in Zimbabwe. The number of new beneficiaries for the pigeon pea, dairy and bananas for fees projects during the year was 1,635. There were 2,112 new beneficiaries for the sanitation programme. A total of 3,149 new beneficiaries were added to the business skills training programme, most of whom received loans through VSLAs towards business start-ups. Over ten thousand new businesses have been set up to date as a result of this programme.

2020 was a challenging year, with a reduction in income from AquAid compared to 2019. This was offset by increased personal contributions, especially from the Searle family, Dave, Alastair and the chief executive's brother Andrew. As a result, the outputs and achievements, though slightly lower than 2019, still exceeded the original planned targets. It was also possible to retain a healthy level of year-end reserves, with a reduction of £24,521 leaving £212,235. This is well above the prescribed minimum of £100,000 according to the agreed reserves policy.

Zimbabwe: The policy to increase stocks of pump building materials in 2019 proved beneficial in 2020, as operations were able to continue close to optimal capacity even when the level of funding was reduced. When funding levels returned to normal, these stocks were replenished. 857 new pumps were built in Zimbabwe, at a per pump cost which was significantly below the agreed target. These savings were used for other approved projects including sanitation, the bananas for fees project (which has now drawn to a close after seven successful years) and a self-sustaining project, which will generate funds for a staff pension scheme.

With every new project, the aim is to achieve sustainable benefits. After the enormous success of the programme for business skills and VSLA training with loans in Malawi, a plan was agreed to start a similar project in Zimbabwe in 2021. The local implementing partner will be the Alliance Development Africa Trust, which includes two senior staff who have spent several months working with ADAF in Malawi. The target for 2021 will be to train and provide loans to at least 480 people.

Malawi: The implementing partner ADAF has continued to perform well during a period of expansion. The chair and chief executive had assisted in securing significant funding for them from Christian Aid in addition to the ongoing funding from The Africa Trust. It was reported that the level of loan repayment continues to exceed 95% and was even higher for the first cohort of more than a thousand beneficiaries under the Christian Aid funded project. The chief executive has helped to ensure that ADAF has excelled in their project monitoring outputs and reporting to Christian Aid as a way to build their capacity. It is hoped this will allow Christian Aid to see the potential of this project with a view to increased funding.

The Africa Trust also funded a consultant for short period who assisted the Christian Aid project to identify ways in which pigeon pea farmers can increase their income. This concluded with a recommendation that local processing of pigeon peas to dhal would be the best way to add value whether for local sale or export. Plans were developed to trial village level and larger scale processing in 2021 to determine which approach would work better in increasing the income for local farmers.

ADAF was able to double the number of people they trained in 2020 compared to the previous year thanks to additional staff and a new vehicle (funded by Christian Aid). While this level of exponential growth is not sustainable, plans are in place for further expansion in 2021. 784 of the beneficiaries were pastors, who are generating huge demand for expansion of this project as they talk about it with their congregations across the whole of Malawi. While many of these pastors had initially struggled to pay back their loans, the repayment levels have now improved significantly. Their testimonies are quite extraordinary.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Tanzania: 45 toilets were built in Tanzania along with further extension of the gravity fed pipeline projects, which provide clean water to tens of thousands of people. The demonstration elephant pumps are working well and have been enthusiastically embraced by local communities, but official government approval is now needed for the technology before further expansion of this programme can proceed. Some areas in Mwanza have already been identified as suitable for these pumps.

Uganda: In 2020, there were 310 business skills training graduates. The decrease from the previous year's total was mainly due to a significant reduction in allocated funding. Work was also suspended for a couple of months due to a strict local lockdown. While the Uganda programme is having an enormous positive impact, it is clear that the level of poverty and need is not as great as is seen in Malawi and Zimbabwe. This was the main reason for a reduction in funding to this project in 2020.

Kenya: The business skills and VSLA training programme with loans was affected by local lockdowns. While training classes were not permitted for most of the year, it was possible to continue planned mentoring for existing beneficiaries. There are plans to catch up on training in 2021 with 30 trainees per month. The scale of this project remains small.

Monitoring achievement

All partner organizations provide regular updates on progress including accounts, narrative reports and photos for all the projects. There are a number of layers of monitoring both internally, within the partner organizations, and externally, including regular visits (normally) and continuous remote monitoring by the chief executive, independent monitoring exercises, trustee visits to projects and regular checking of progress for all field programmes against agreed milestones. Senior personnel from our partner organisations are also sent by the chief executive to visit the Africa Trust funded projects in other countries for training and monitoring purposes. The trustees of The Africa Trust review progress through formal quarterly meetings and keep up to date with regular phone calls and email exchanges. It was not possible for the chief executive to visit field projects during 2020 due to travel restrictions however he continued to monitor all projects remotely. He was also still able to task and fund personnel from partner organisations to visit other country projects for independent monitoring purposes.

Financial review

In total, incoming resources for the calendar year 2020 amounted to £1,185,979 (2019: £1,354,776) from which grants and payments to partners and projects, including the chief executive's remuneration, of £1,198,218 (2019: £1,329,755) have been made. Governance costs of £12,282 (2019: £5,974) have been deducted leaving a deficit of £24,521 (2019: surplus £19,047) to be deducted from reserves.

The trustees agreed that the level of free reserves could be reduced to a level that equates to at least one month of planned forward expenditure. Due to the scalable nature of the core programme in Zimbabwe, this level of reserves is considered to be adequate.

The balance of unrestricted funds at 31st December 2020 was £212,235, all of which is regarded as free reserves, against a one month projected spend of under £100,000 for the first month of 2021. The current level of reserves is therefore well above the approved minimum. Experience in 2020 demonstrated that operations can be scaled down and up quite rapidly in response to changes in the flow of funding. It is therefore felt by the trustees that holding a higher level of reserves is not necessary and would reduce the number of beneficiaries. Nevertheless, the chief executive was encouraged to consider £100,000 as a minimum, with a figure closer to £200,000 being ideal.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Risks

The trustees have considered the major risks to which the charity is exposed and have reviewed those risks and established systems and procedures to manage those risks.

The major risk is the extent to which the grants awarded will further the aims of the Trust due to operational challenges on the ground. The trustees manage this risk and seek to maximize the positive impact by regularly reviewing the outputs and activities of all implementing partners and by reviewing the funding to each partner according to their monitored achievements. In 2020, the impact of the Covid pandemic was a major risk factor due to the impact on revenue streams and project implementation. There was successful mitigation of this risk and the planned output targets were achieved and generally exceeded despite various challenges.

Grants Approved for the Period January 2021 – December 2021

Trustees approved the following grants and funding for the coming year:

1. Up to £900,000 will be allocated to the Zimbabwe Africa Trust (ZAT) primarily for the core programme of installing and maintaining elephant pumps to provide clean water in poor rural communities in Zimbabwe including some allocation to sanitation projects, emergency relief and the dairy project. Under the terms of this grant, ZAT would commit to installing one new pump for every one thousand two hundred pounds provided. This is an agreed per pump reduction of £200 compared to 2020. As ZAT is a non-profit organization, any funds saved would be used by ZAT to: install additional pumps, improve capacity such as vehicles and to invest in secondary projects to relieve poverty and emergency relief for those in desperate situations. ZAT would be expected to provide the chief executive with weekly updates on progress including photos of pumps built and reports on the secondary projects. The impact of the projects would be monitored including estimates of the number of people who were assisted to have a sustainable supply of clean productive water. This country programme is the flagship endeavour of the Africa Trust, which satisfies the needs and interests of the Africa Trust's core funder AquAid, since they are keen for money donated from their water cooler business to be used to establish supplies of clean drinking water in poor areas of Africa.
2. A grant of up to £15,000 was approved for the year to Living Business Education (LBE) in Uganda for the on-going business skills training and mentoring programme and some VSLA training.
3. A grant of up to £60,000 was approved for the Another Hope Foundation (AHF) in Tanzania for the elephant pump, sanitation and pipeline programme in that country. Other projects under the terms of this grant include: business skills and VSLA training and small loans to help trainees start their own businesses.
4. Up to £15,000 was approved for the Better Living Initiative organization in Kenya. The primary use of this grant would be to provide training and loans to poor people for them to start up small business ventures along with VSLA training.
5. Up to £10,000 was approved for the year for emergency relief at the discretion of the chief executive.
6. A subsistence and operational allowance of up to £55,000 was approved for the chief executive to oversee, monitor and develop the field programmes. This was structured to include a formal UK net salary of £2,500 per month plus funds towards a pension scheme. This allowance can include accommodation, travel, food and other basics such as air-time for phone and data needs.
7. Up to £120,000 was allocated to the business skills training and small loans project run by ADAF in Malawi. Included in this is £9,000 towards the pigeon pea project (funded by Christian Aid).
8. Up to £70,000 was allocated to ADAT for the new business skills and VSLA training project with loans in Zimbabwe.
9. Up to £10,000 was approved for UK administration including audit.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

Approved Budget for 2021

Details	Income £	Expenditure £	Beneficiaries	
			Existing	New (approx.)
AquAid and other Contributions	1,200,000			
Pumps, Pipelines and Relief *		990,000	3,105,655	252,000
Business Skills Training (including loans and grants)		240,000	28,522	4,000
Agriculture (peas, dairy)		10,000	6,024	1,200
Improved Sanitation		5,000	28,299	1,800
Projects - Sub Total		1,245,000		
UK administration and audit		10,000		
TOTAL	1,200,000	1,255,000	3,168,500	259,000

* The UK Payroll is incorporated into the project management budgets.

Structure, governance and management

The Africa Trust became a registered charity, number 1147666, on 12th June 2012 having been in operation since December 2010 and is constituted under a trust deed.

The Trustees who served during the year and up to the date of signature of the financial statements were:

Mr David Fremel
Mrs Kirsten Searle
Mr Paul Searle

Paul Searle, David Fremel and Kirsten Searle are the founding trustees of The Africa Trust. The Board will next decide upon any extension to their current tenure in May 2023 for Paul Searle and in May 2022 for David Fremel and Kirsten Searle.

New trustees are appointed by the existing trustees and serve for three to five years after which they may put themselves forward for re-appointment. The trust deed provides for a minimum of 3 trustees, to a maximum of 9 trustees, with no more than 3 trustees due for re-appointment in any one year.

All trustees give of their time freely and no trustee remuneration was paid. No expenses were claimed by any of the trustees. Trustees are required to disclose all relevant interests and register them with the chief executive and in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises.

At the quarterly trustees' meetings, the trustees agree the broad strategy and areas of activity for the Trust, including consideration of grant making, reserves and risk management policies and performance. Day-to-day administration of grants and the processing and handling of applications prior to consideration by the trustees is delegated to the chief executive. The chief executive did not claim any expenses during the year. He was able to subsidize his work with his own funds and with part of the salary paid to him by the Trust during the year. Salary payments paid to the chief executive including his pension and national insurance contributions amounted to £48,808 during the year.

THE AFRICA TRUST

TRUSTEES' REPORT (CONTINUED)

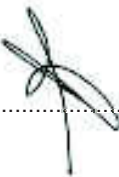
FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees formally approved arrangements complying with the ICSA guide 'Recruitment, Appointment and Induction of Charity Trustees' and now convene the Nominations Sub Committee as required both to recruit new trustees for their experience, empathy and knowledge of the charity and to keep the skills and composition of the trustee body and succession planning under review. New trustees may be sought by open advertisement or through a dialogue with potential candidates. Respecting the ethos of the Trust to continue the charitable work intended by the founders, the ultimate decision on selection is a matter for the trustees.

On appointment, new trustees commit to giving of their time and expertise. The induction process follows the ICSA good practice guide with a formal induction programme for any newly appointed trustee which includes an initial meeting with the chairman and the trustees, followed by a series of meetings with the chairman and chief executive on responsibilities of the trustee board and the sub committees. This induction includes a brief history of the Trust, copies of trustee board and subcommittee minutes, a copy of recent annual reports and accounts, a copy of the governing trust deed and a copy of the Charity Commission's guidance 'The Essential Trustee: What You Need to Know' and 'Charities and Public Benefit'.

The trustees are related parties to the charity; Kirsten and Paul Searle are directors and controlling shareholders of AquAid Franchising Limited which company is the major contributor to the Charity, donating £808,976 in the year 2020 (2019: £987,500) . In addition, they donated £172,000 personally in the year and David Fremel donated £4,800.

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



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Mr Paul Searle

Trustee

Dated: 25.05.2021

THE AFRICA TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The Trustees are responsible for preparing the Trustees' Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of charity and of the incoming resources and application of resources of the charity for that year.

In preparing these accounts, the Trustees are required to:

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

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

THE AFRICA TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF THE AFRICA TRUST

Opinion

We have audited the financial statements of The Africa Trust (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *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 charity's affairs as at 31 December 2020 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including 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 charity'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 auditor's 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 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.

THE AFRICA TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE AFRICA TRUST

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities, the Trustees 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 charity'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

We identify and assess the risks of material misstatement of the entity's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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.

We obtain 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 group's internal control.

We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

We conclude on the appropriateness of the trustees' 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 charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.

THE AFRICA TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE AFRICA TRUST

We evaluate 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 (i.e. gives a true and fair view).

We communicate 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 we identify during our audit.

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:

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

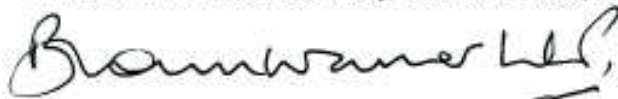
Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Brown Warner LLP

10 June 2021

**Chartered Accountants
Statutory Auditor**

38 Northgate
Newark-on-Trent
Nottinghamshire
NG24 1EZ

THE AFRICA TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THE AFRICA TRUST

Brown Warner LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

THE AFRICA TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Income from:</u>			
Donations and legacies	2	1,185,979	1,354,776
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	3	1,210,500	1,335,729
		<hr/>	<hr/>
Net (expenditure)/income for the year/ Net movement in funds		(24,521)	19,047
Fund balances at 1 January 2020		236,756	217,709
		<hr/>	<hr/>
Fund balances at 31 December 2020		212,235	236,756
		<hr/> <hr/>	<hr/> <hr/>

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

All income and expenditure derive from continuing activities.

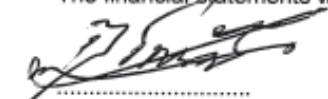
THE AFRICA TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Current assets					
Debtors	7	45,160		52,593	
Cash at bank and in hand		171,427		188,824	
		<u>216,587</u>		<u>241,417</u>	
Creditors: amounts falling due within one year	8	(4,352)		(4,661)	
Net current assets			<u>212,235</u>		<u>236,756</u>
Income funds					
Unrestricted funds - general			<u>212,235</u>		<u>236,756</u>
			<u>212,235</u>		<u>236,756</u>

The financial statements were approved by the Trustees on 25.05.2021


.....
Mr David Fremel
Trustee


.....
Mr Paul Searle
Trustee

THE AFRICA TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Africa Trust is a Registered Charity, number 1147666.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

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

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

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

1.4 Incoming resources

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

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

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

THE AFRICA TRUST

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

1 Accounting policies

(Continued)

1.5 Cash and cash equivalents

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

1.6 Financial instruments

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

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

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

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.7 Employee benefits

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

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

1.8 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

THE AFRICA TRUST

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

2 Donations and legacies

	Unrestricted funds general 2020 £	Unrestricted funds general 2019 £
Donations and gifts	1,185,979	1,354,776

3 Charitable activities

	2020 £	2019 £
Staff costs	48,809	31,009
Bank and other charges	82	74
Legal and professional expenses	12,200	5,900
	<u>61,091</u>	<u>36,983</u>
Grant funding of activities (see note 4)	1,149,409	1,298,746
	<u>1,210,500</u>	<u>1,335,729</u>

4 Grants payable

	2020 £	2019 £
Grants to institutions:	1,149,409	1,298,746

Included within the cost of pumps, pipelines and filters are grants paid to Zimbabwe Africa Trust totalling £963,209 which is the largest recipient of funds during the year.

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5 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the year, but the chief executive was paid a salary and pension fund contributions as set out in note 6.

THE AFRICA TRUST

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

6 Employees

Number of employees

The average monthly number of employees, including the Trustees, during the year was:

2020 Number	2019 Number
4	4

Employment costs

	2020 £	2019 £
Wages and salaries	38,809	21,009
Other pension costs	10,000	10,000
	<u>48,809</u>	<u>31,009</u>

7 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Trade debtors	45,160	52,593

8 Creditors: amounts falling due within one year

	2020 £	2019 £
Accruals and deferred income	4,352	4,661

9 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	48,809	31,009