

Just Earth Limited

Annual Report and Accounts

For the year ended 31st December 2022

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JUST EARTH LIMITED

CHARITY INFORMATION FOR THE YEAR ENDED 31ST DECEMBER 2022

Charity Name: Just Earth Limited

Working Names: Just Earth

Registered Numbers: Company Number: 9092105
Charity Number: 1158050

Registered Office: 15 Lime Trees Avenue
Llangattock
Crickhowell
Powys NP8 1LB

Website address: www.justearth.org

Trustees: Rev Bruce Collins
Mr David Cross
Mrs Alex Lloyd Davies
Mr Geir Haraldseid (appointed 03/07/2023)
Rev Evelyn Lee-Barber
Mr Gerwyn Miles
Mr Peter Tyler

Secretary: Mr Gerwyn Miles

Independent Examiner: Conway Davis Limited
Chartered Certified Accountants
4 Station Terrace
Caerphilly
CF83 1HD

Bankers: CAF Bank Ltd
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

JUST EARTH LIMITED

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31ST DECEMBER 2022

The trustees present their report and the independently examined financial statements of the charity for the year ended 31 December 2022, which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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) (effective 1 January 2019).

Objectives and Activities

The Charity's objects are:

- (a) the relief and/or prevention of poverty in such ways as the Trustees may see fit;
- (b) to advance the Christian faith in such ways as the Trustees may see fit.

Just Earth Limited's ('JE') main focus is to benefit those living and working in Kenya, such as farmers and individuals from rural villages, to improve their farming methods and help set up small businesses, thereby helping alleviate poverty in their communities and provide a sustainable income.

The charity seeks to transform the lives of the poor by focusing on four key aspects that it sees as foundational pillars of transformation – Spiritual, Economic, Social and Environmental. It seeks to work in partnership with local churches to help people follow Jesus in a way that empowers them economically, in a relational context that builds community and ensures consideration is given to develop and implement environmental safeguarding techniques to help build sustainable futures.

The charity does this, in the main by providing extensive regular training for poor rural farmers over a two-year period by trained agricultural facilitators, co-ordinated through our qualified Agronomist. This weekly training on demonstration plots covers well-established agricultural methods, nutrition, hygiene, finance management, and entrepreneurship, along with key biblical teaching on life principles central to the Kingdom of God. Another core part of the programme involves making loans to JE farmers equivalent to the farming inputs required to farm up to one acre of land using the farming model developed by JE.

The charity makes this assistance available through bringing farmers together into groups, forming farmers' field schools (FFS), providing farmers with the knowledge, confidence, finance training and the support needed to produce better crops and become stronger disciples of Jesus. This model is designed in a way that is easily transferable to other regions and nations where suitable partners are identified.

JUST EARTH LIMITED

REPORT OF THE TRUSTEES (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

Achievements and Performance

It is a pleasure to be able to report that the disruption to the Directors regular visitation to Kenya, caused by Covid-19 in the previous couple of years is now behind us and we were able to complete two director visits during the year. This was very encouraging and enabled us to see firsthand how the work has developed, despite all of the challenges. It was good to meet up with the staff and be able to thank them personally for all of the hard work they are doing. Work on the Pastors Essentials programme was able to be completed on one of these trips, as Rev Bruce Collins led a team to train senior church leaders in person, as opposed to over zoom. These were very fruitful sessions.

Previous disruptions to the weekly demonstration plot gatherings is also behind us, as it was possible once again to gather farmers, unhindered, on the demonstration plots throughout all of 2022. Unfortunately, however, the impact of climate change appears to be gaining momentum, as severe droughts - or severe flooding - were experienced across large areas of Kenya, impacting some of our regions and farmers significantly. Farmers in one farm school (in Maseno East Diocese), actually produced less after their first year than before joining the programme. This is something we have never experienced since starting the ministry back in 2005 and is entirely due to the drought which ravaged that part of Kenya. It impacted the most vulnerable, compounding the already significant challenges associated with poverty.

The total number of Farm Field Schools operating in 2022 was 11, representing 374 farmers, as detailed in table 1 below. Typical family sizes are 7 which means that there were approximately 2,618 lives directly impacted by the work of JE during the year, in terms of increased food being produced, consumed and sold to increase disposable income. As part of the training programme, JE farmers are encouraged to share what they learn with their neighbours and it is estimated that on average each farmer helps 4 of their neighbours improve their farming practices, which if you assume that each farmer belongs to a family of 7 members then approximately, an additional 8,000 people were indirectly impacted by the FFS programme during the year.

JUST EARTH LIMITED

REPORT OF THE TRUSTEES (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

Just Earth Ltd Data on Farm Field Schools (FFS's) Operated During 2022					
Region	Number of FFS's	Number of Members	Family Members Directly Impacted (*)	Neighbours Family Members Indirectly Impacted (**)	Attendees of Open Days run by each FFS (***)
Kapsabet	1	37	259	1,036	0
Kitale	3	93	651	2,604	160
Maseno North	1	36	252	1,008	82
Mummas	3	75	525	2,100	140
Maseno East	2	51	357	1,428	77
Masai Mara****	1	82	574	0	112
Totals	11	374	2,618	8,176	571
Table 1 (*) - Assumes average family size is 7 (**) - Assumes 4 neighbours learn from FFS members, with family size of 7 (***) - The number of attendees of our FFS open days run by each FFS - prospective new recruits (****) - This community is self contained so no impact on neighbours					

Of the 11 schools detailed in table 1 above, 10 follow the normal FFS model, whilst one school is specially designed to be run in a the Maasai Mara, an area which previously relied entirely on livestock farming. Mara tourism is squeezing Maasai communities into smaller areas of land and they now need to learn how to produce crops to avoid hunger and malnutrition. JE has designed an electric-fenced area (supplied by solar-powered pumped/stored borehole water) and trained 70+ Maasai women through the support of First Baptist Church Houston Texas. It has been well received by the community, many of whom had never seen much of the produce now being grown. The women are very excited about its capability to not only feed their families, but also to sell surplus production to a local school, enabling them to purchase 10 sheep and 1 goat. This is a resource which benefits the entire community, and explains why they are already talking about expansion.

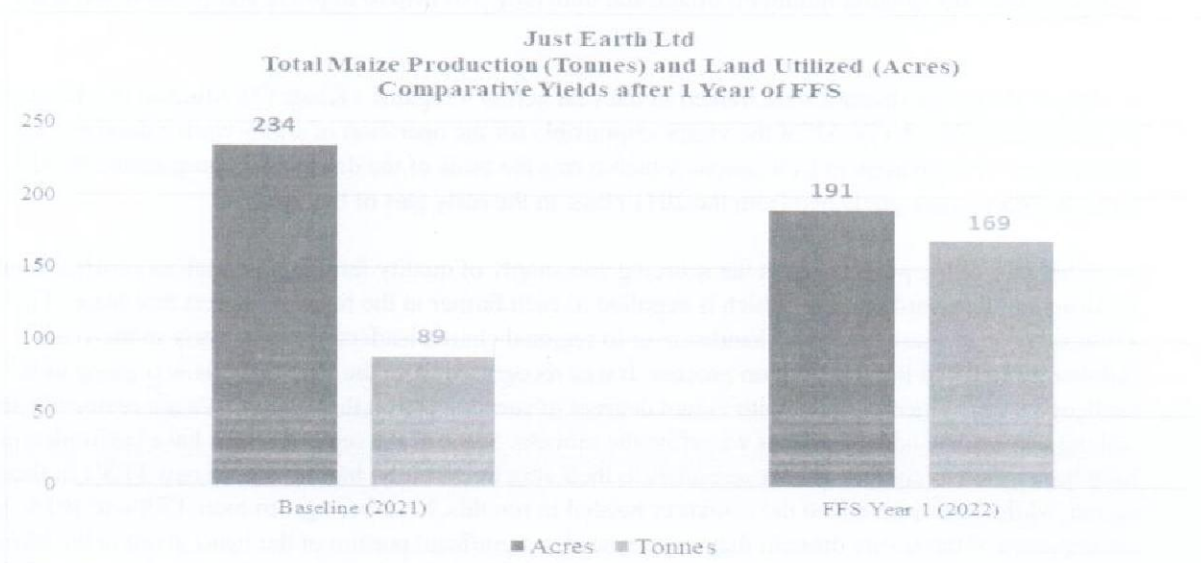
The attraction of the FFS model is demonstrated in Table 1, as up to 600 local farmers are drawn to attend our FFS open days held in many of our FFS's and is an indicator of the demand for new FFS in 2023.

A detailed impact survey conducted by JE at the end of 2022 is summarised in Figure 1 below. It indicates that despite the many challenges, total food production for most of our farmers in the project was still significantly above production levels prior to joining the FFS programme. This means that many farmers were able to produce enough food to meet their family's dietary requirements with surpluses being sold to help raise disposable income.

JUST EARTH LIMITED

REPORT OF THE TRUSTEES (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

The study concluded that JE farmers were producing 2.3 times more maize per acre during their first year in a FFS than before joining JE – 169 tonnes from 191 acres compared to 89 tonnes from 234 acres previously. This translates into almost 580Kg of maize on average per household during 2022, compared to just 310Kg pre-FFS. This means that farmers are now able to produce significantly more maize on less acreage, freeing up space on their farms to diversify their produce and improve their family's nutritional intake. Examples of some of the other produce grown in our FFS's during the year are; Beans, Sorghum, Millet and Cassava.



While these figures are encouraging, we are concerned about the impact of climate change on rural poverty in Kenya, as the figures for 2022 are significantly lower than have typically been achieved in previous years. For example, yield increases for our second-year farmers in 2021 were 4.4 times more than they had been achieving before joining the JE programme and maize production per household was around 900Kg in 2021. This is very significant and we are already developing strategies to help farmers combat this challenge.

Despite these challenges, it is still encouraging to see that JE FFS's were able to generate income from surplus production. In 2022, JE farmers' combined income from sale of produce across all FFS's of Ksh 10.3 million (2021 – Ksh 6.2m), which equates to around £66,500, or £225 per household. The increase over 2021 is driven by significant increases in inflation, which is particularly bad in Kenya at the moment. Out of this income, on average each JE farmer gave around £16 to the local church to help support the widows and orphans programmes – a very humbling statistic. We continue to see lives changed as farmers become more effective at growing their traditional crops, diversifying into new cash crops, and being disciplined in the Christian faith.

JUST EARTH LIMITED

REPORT OF THE TRUSTEES (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

One of JE's core pillars is to help our farmers manage and mitigate the effects of climate change, which is becoming an ever-increasing problem. Planting more trees is a proven way of achieving this, which has been one of JE's aims for many years. During 2022 JE helped and encouraged our farmers to plant almost 19,000 trees, which is significant and brings our total trees planted since the ministry's inception to around 168,000 (over 60,000 in the last 3 years). These include fruit, indigenous, exotic and Agroforestry trees, which provide extra nutrition and medicines, and combat soil erosion. Other strategies taught and adopted by our farmers to combat soil erosion and climate change were: terraces, contours, fallow crops, compost/farmyard manure, minimum tillage and mulching. All help to improve and preserve the soil.

A total of 15 new facilitators were trained in the year across 4 regions - Kitale (7), Mumias (4), Kapsabet (3) and Maseno North (1). All of the vicars responsible for the operation of a FFS were trained in the presentation of the Kingdom Life course, which forms the basis of the discipleship programme for JE farmers. 165 farmers graduated from the 2021 class, in the early part of the year.

A central part of the programme is the sourcing and supply of quality farm inputs, such as certified seed, fertiliser and farmyard manure, which is supplied to each farmer in the form of interest free loans. The administration of these loans was handed over to regional church leadership teams early in the year, following a detailed implementation process. It was recognised from the start that this was going to be challenging and it has been met with varied degrees of success, across the regions. We are reviewing and making appropriate adjustments as we refine the process. Some of the regions which have performed poorly have been asked to commit further resources to their structure locally, before we add new FFS's in their region, while those who added the resources needed to run this, have been given more FFS's in 2023. As a consequence of the severe drought they experienced, a significant portion of the loans given to the Maseno East region have been written off and forgiven to alleviate hardship from factors beyond their immediate control.

Post-Covid FFS farmer attendance was another difficult area for us to manage during the year, which added to the observation, that where resources had been released in the diocese to support JE processes, FFS attendance was stronger, reinforcing our decision to only move forward with church partners who were serious about their commitment.

The JE commercial farm at the Maridadi site proved to be too challenging to make a commercial return, so a decision was made in the middle of the year to terminate production and hand the land back to the landowners. A phased exit was achieved prior to the end of the year and an agreement reached with the landlords to purchase the moveable fixed assets at a price of KES3.92M, payable in 3 instalments.

JUST EARTH LIMITED

REPORT OF THE TRUSTEES (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

Following a very generous donation to fund a costed and well-defined project with far better profitability, we formalised an agreement with the Diocese of Kitale to use their land, rent free and invested in the infrastructure needed to grow avocados. This was implemented in the second half of the year, at the Bishop Muge Centre, Kitale, and is progressing according to plan. It is hoped that this will produce a substantial return, commencing in 2025, the proceeds of which will help fund the FFS programme in Kitale. If this continues to progress to plan, we hope it will form the basis of a model which is transferable to other regions over time in order to develop our in-country sustainability.

Public Benefit

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future projects. In particular, the trustees consider how planned projects will contribute to the aims and objectives they have set. The paragraphs above provide further information.

Structure, Governance and Management

Governing document

Just Earth Limited is a registered charity and company limited by guarantee, governed by its Memorandum and Articles of Association dated 16 February 2011.

Recruitment and appointment of Trustees

The governing body of Just Earth Ltd is the board of trustees who meet from time to time to discuss the affairs of the Charity. The day-to-day management operations are overseen by Peter Tyler (Director) and financial management is overseen by Gerwyn Miles (Director).

We remain hugely grateful to our Church and individual partners for their generous and very faithful support.

Induction and training of Trustees

The need for new Trustees is reviewed regularly, and when appropriate, names are presented at a trustees' meeting for consideration. The existing trustees make any new appointments. New trustees are given copies of the Memorandum and Articles of Association, copies of previous accounts and the opportunity to discuss questions with existing trustees. A third of all trustees are required to retire at each Annual General Meeting, although they are allowed to stand for re-election. Upon appointment trustees are informed of their obligations in law as a trustee of a charity, and are encouraged to acquaint themselves with the publications and guidance available from the Charity Commission.

JUST EARTH LIMITED

REPORT OF THE TRUSTEES (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

Financial Review

Performance in the Year

Donations totalling £225,002 were received during the year from individuals, churches and by way of grant from charitable trusts. Other income totalled £8,606 resulting in total income of £233,608. Expenditure during the year totalled £203,556 and was focused on farm school activities in Kenya, and on project management and development from here in the UK. As activities expand, development of additional infrastructure and routes to market farmer's crops need to be established within Kenya. The continuing development of Just Earth in Kenya is extremely important to us, and we are grateful to our supporters for their generosity, which enables our future plans to be expanded.

The result for the year was a surplus of £27,858 (2021: £50,090). The pattern of donation income includes periodic substantial support from a few sources, and this can lead to significant variation in donation income between years. The directors are content with the position of the charity, and continue to widen the supporter base to ensure that activities are undertaken on a sustainable basis.

Reserves policy

It is the policy of the charity to try to hold unrestricted reserves, not designated for a specific use where possible, to enable a greater level of discretion for funding charitable activities. However, where donors give specific instructions for the use of their gift, the charity will hold these donations as restricted funds.

We also aim to maintain free reserves at a level sufficient to cover at least 6 months' operating costs, so that should funding cease, we can make a responsible and managed exit from our projects. With our free unrestricted reserves at £203,039 (December 2021: £248,716) this allows adequate resources to maintain the work of the charity.

The 2021 Trustees' Report stated that the Trustees had since the 2021 financial year-end approved the setting aside of a designated reserve of £42,500 to meet the cost of replacing the truck used by staff in Kenya, which was nearing the end of its economic life. The charity purchased a new truck during the financial year at a cost of £43,373 to replace the old truck, and no designated reserve is therefore now required for this purpose.

JUST EARTH LIMITED

REPORT OF THE TRUSTEES (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

Future Plans

JE's focus going into 2023 is to double our commitment to work with Kenyan church partners who are playing their part and are prepared to commit the necessary resources to ensure JE processes are successful in their regions. This has meant that some regions have been halted for now, while we work with them to secure the resources needed to re-engage them ahead of the 2024 recruitment push. This has meant that the number of regions has reduced from 7 to 5 and the number of schools progressing into 2023, reduced from 11 to 6. There is one new region – Eldoret, which has demonstrated its desire to engage and has therefore been added to the programme, making a total of 5 regions for 2023. A further 10 new schools have also been added for 2023, making a total of 16, with 310 new farmers. This means there are a total of 501 farmers in 2023, compared to 374 in 2022, in regions we believe are very committed to making JE work in their regions, which is very exciting.

Of the 16 schools, 15 follow our normal FFS model and 1 school is specially designed to be run in a the Maasai Mara, an area that is very dry and which previously focused on livestock farming.

We are constantly looking to develop new and lasting relationships with national and regional church leaders, to see the benefits of the work spread further and we seek to collaborate wherever possible, with other like-minded organisations, who can help bring value add to the JE model. JE is looking to work with a specialist bank in Kenya, in an attempt to pilot a scheme to enable a commercial bank to manage the loan process, where they have the expertise. There is much however to consider here, both positive and negative, before making this a new part of the process, which is why the pilot is so important. JE is also working with a national body to tailor a mindset change programme to fit its needs, which we will hopefully start piloting during the second half of 2023. Both of these pilots are important to the development of JE's programme so that we can make best use of resources to best serve our stakeholders.

The intention is to continue to maintain our presence in country, by having the directors visit in person a couple of times each year.

JUST EARTH LIMITED

REPORT OF THE TRUSTEES (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

Responsibilities of the Trustees

The trustees (who are also directors of Just Earth Limited for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.


Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including income and expenditure. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are prudent and reasonable,
- state whether applicable accounting standards and Statements of Recommended Practice have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation

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

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

On behalf of the board on 19th September 2023



Peter Tyler
Trustee

JUST EARTH LIMITED

**REPORT OF INDEPENDENT EXAMINER
FOR THE YEAR ENDED 31ST DECEMBER 2022**

Independent examiner's report to the trustees on the unaudited financial statements of Just Earth Limited.

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31st December 2022.

Respective responsibilities of trustees and independent examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to examine the accounts under section 145 of the 2011 Act; to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and to state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

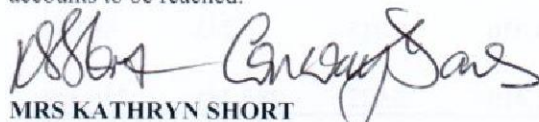
Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(i) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep proper accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or

(ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.


MRS KATHRYN SHORT
Conway Davis Limited
Chartered Certified Accountants

Dated: 19th September 2023

**4 Station Terrace
Caerphilly
CF83 1HD**

JUST EARTH LIMITED

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31ST DECEMBER 2022

		Unrestricted Funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	Note	£	£	£	£
Incoming resources:					
Donations and legacies	3	209,872	15,130	225,002	241,718
Charitable activities:	4	-	-	-	11,012
Activities for raising funds					
Trading activities	5	7,874	-	7,874	10,593
Investments					
Bank interest received		732	-	732	18
Total Income		218,478	15,130	233,608	263,341
Expenditure on:					
Raising Funds					
Fundraising costs	6	60	-	60	35
Operating costs of trading activities	6	36,714	-	36,714	30,150
Charitable activities	7	155,478	8,917	164,395	182,359
Total Expenditure		192,252	8,917	201,169	212,544
Net income		26,226	6,213	32,439	50,797
Other recognised (losses) gains					
Foreign exchange (losses)/ gains	8	(2,196)	-	(2,196)	(1,795)
Net Movement in Funds before transfers		24,030	6,213	30,243	49,002
Transfers between funds		-	-	-	-
Net Movement in Funds after transfers		24,030	6,213	30,243	49,002
Total funds brought forward		282,419	2,922	285,341	236,339
Total funds carried forward		306,449	9,135	315,584	285,341

JUST EARTH LIMITED

BALANCE SHEET

AS AT 31ST DECEMBER 2022

	Note	2022	2021
		£	£
Fixed Assets			
Tangible assets	10	103,410	33,703
Current Assets			
Stock		241	235
Debtors	11	32,762	10,826
Cash at bank and in hand		180,874	242,187
		<u>213,877</u>	<u>253,248</u>
Creditors			
Wages and salaries control		2	-
Accruals	12	<u>1,701</u>	<u>1,610</u>
		<u>1,703</u>	<u>1,610</u>
Net current assets		<u>212,174</u>	<u>251,638</u>
Total assets less current liabilities		<u>315,584</u>	<u>285,341</u>
Net assets		<u><u>315,584</u></u>	<u><u>285,341</u></u>
Represented by:			
Unrestricted funds	13	306,449	282,419
Restricted funds	14	9,135	2,922
		<u><u>315,584</u></u>	<u><u>285,341</u></u>

For the 12 months ended 31 December 2022, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

These financial statements were approved and authorised for issue by the trustees on 19th September 2023 and signed on their behalf by:


Peter Tyler
 Director

Company number: 9092105

JUST EARTH LIMITED

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2022

1. Company information

Just Earth Limited is a company limited by guarantee and registered in England and Wales, registration number 9092105, and a registered charity, number 1158050. The registered office is 15 Lime Trees, Avenue, Llangattock, Crickhowell, Powys. NP8 1LB.

1.1 Basis of preparation of financial statements

The financial statements have been prepared 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) (effective January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 Section 1A.

Just Earth Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless stated in the relevant accounting policy note.

These accounts include the activities of the Kenyan branch.

These accounts have been prepared on a Going Concern basis which the trustees continue to believe is appropriate.

The financial statements are prepared in sterling (£) and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Income

All income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be reliably measured.

Donations, legacies and similar incoming resources are reported gross and the related fundraising costs are reported in fundraising costs.

Grants are recognised as income when they are received provided conditions for receipt have been complied with, unless they relate to a specific future period in which case they are deferred.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable.

JUST EARTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

1.3 Expenditure

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Raising Funds represents expenditure incurred in motivating the individual supporters, trusts and other organisations to contribute to the work of the charity.

Charitable activities represents those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those of an indirect nature necessary to support them.

Governance represents those costs associated with meeting the constitutional and statutory requirements of the charity and include the independent examination fees and costs linked to the strategic management of the charity.

All costs including support costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of an estimate of the proportion of time spent by staff on the activity.

Support costs are those costs which do not in themselves constitute an activity, instead they enable output creating activities to be undertaken. The cost category includes the central or regional office functions such as general management, human resources and payroll administration, budgeting and accounting, and information technology.

1.4 Fund accounting

The charity maintains various types of funds as follows:

General unrestricted funds represent income which can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds represent income set aside by the trustees out of general unrestricted funds for specific future purposes or projects.

Restricted funds represent income to be used in accordance with specific restrictions imposed by donors or which has been raised by the charity for particular purposes.

JUST EARTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

1.5 Fixed assets and depreciation

The threshold for capitalisation of assets is set at £100 per item. Depreciation is calculated using the straight line method so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Farm buildings	-	10%
Motor cycles and vehicles	-	20% - 25%
Fixtures, fittings and equipment	-	10% - 50%

1.6 Debtors and creditors receivable/payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the statement of financial

1.7 Stocks

Stocks are stated at the lower of cost and net realisable value.

1.8 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand.

1.9 Foreign currencies

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

Non-monetary assets purchased in foreign currencies are translated into sterling at the rate of exchange ruling on the date of acquiring the assets.

Transaction in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Statement of Financial Activities.

2 Net movement in funds

	2022 £	2021 £
The net movement in funds for the year is stated after charging:		
Depreciation and other amounts written off tangible fixed assets:		
Owned assets	8,175	7,877
Profit/(Loss) on disposal of fixed assets	4,228	-
Independent examiners fee	850	1,020

JUST EARTH LIMITED

NOTES TO THE ACCOUNTS (Continued) **FOR THE YEAR ENDED 31ST DECEMBER 2022**

3. Donations and legacies

	Unrestricted funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Donations from organisations, churches and individuals	199,872	15,130	215,002	241,718
Other trusts	10,000	-	10,000	-
	<u>209,872</u>	<u>15,130</u>	<u>225,002</u>	<u>241,718</u>

4. Income from charitable activities

	Unrestricted funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Fertiliser and product sales	-	-	-	11,012

5. Income from activities for raising funds

	Unrestricted funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Produce sales	7,874	-	7,874	10,593

6. Cost of raising funds

	Unrestricted funds £	Restricted Funds £	Total Funds 2022 £	Total Funds 2021 £
Other costs	60	-	60	35
	<u>60</u>	<u>-</u>	<u>60</u>	<u>35</u>
Fundraising costs of trading activities	24,942	-	24,942	27,198
Depreciation	7,544	-	7,544	2,952
(Loss) on disposal of fixed assets	4,228	-	4,228	-
	<u>36,714</u>	<u>-</u>	<u>36,714</u>	<u>30,150</u>
	<u>32,546</u>	<u>-</u>	<u>32,546</u>	<u>30,185</u>

JUST EARTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

7. Charitable activities

	Unrestricted funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Farm School Activities in Kenya	42,540	-	42,540	27,004
Cost of Fertiliser and Product Sales	-	-	-	8,936
Employee costs	72,629	-	72,629	63,994
Meals and entertainment	-	-	-	607
Travel & Accommodation costs	25,989	-	25,989	-
Motor running expenses	-	-	-	4,722
Administration Costs	15,326	-	15,326	17,462
Depreciation - charitable activities	631	-	631	4,925
Purchase of Equipment	-	-	-	27,001
Donation to Kenyan church partner (ACK)	-	-	-	23,470
Exchange losses/(gains)	-	-	-	4,211
Currency translation movements	(1,636)	(750)	(2,386)	27
Houston Baptist Project	-	9,667	9,667	-
	<u>155,478</u>	<u>8,917</u>	<u>164,395</u>	<u>182,359</u>

Administration costs include the Governance costs of £850 (2021: £1,080) that relate to the Independent Examination of the accounts.

8. Other gains/(losses)

	Unrestricted funds	Restricted Funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Profit/(loss) on foreign exchange	(2,196)	-	(2,196)	(1,795)

The charity operates in two main locations, UK and Kenya. A significant proportion of transactions, assets and liabilities are denominated in the Kenyan Shilling, and this gives rise to exchange gains and losses during the financial year, and to translation gains and losses at the financial year ends.

JUST EARTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

9. Staff numbers and cost

Employment costs:

	2022	2021
	£	£
Staff salaries	71,466	62,443
Employers pension contributions	4,127	3,687
Employers medical costs	4,123	3,691
Casual and volunteer staff	18,911	15,849
Other staff costs	8,059	662
	<u>106,686</u>	<u>86,332</u>

All staff are employed by the Kenyan branch.

Number of employees:

The average monthly number of employees during the year, calculated on the basis of average monthly head count, was as follows:

	2022	2021
Charitable activities	<u>6.0</u>	<u>6.0</u>

No staff member was paid more than £60,000 in the financial year. No trustee received any remuneration during the year (2021: £nil). Expenses reimbursed to the trustees amounted to £4,961 for travel and accounting system subscription costs (2021: £363 for accounting system subscription costs).

The trustees take an active role in the running of the charity and therefore the total employment benefits, including employer pension contributions, of the key management personnel of the charity

JUST EARTH LIMITED

NOTES TO THE ACCOUNTS (Continued) **FOR THE YEAR ENDED 31ST DECEMBER 2022**

10. Fixed Assets

	Farm buildings	Motor cycles & vehicles	Fixtures, fittings & equipment	Total Funds 2022
	£	£	£	£
Cost				
As at 1st Jan 2021	11,334	23,323	29,251	63,908
Additions	10,472	43,374	53,621	107,467
Disposal	(11,334)	-	(27,652)	(38,986)
As at 31st Dec 2022	10,472	66,697	55,220	132,389
Depreciation				
As at 1st Jan 2021	1,472	23,323	5,410	30,205
Charge in the year	881	-	7,294	8,175
Eliminated depreciation on disposals	(2,228)	-	(7,173)	(9,401)
As at 31st Dec 2022	125	23,323	5,531	28,979
Net Book Value				
As at 31st Dec 2022	10,347	43,374	49,689	103,410
As at 31st Dec 2021	9,862	-	23,841	33,703

11. Debtors

	2022	2021
	£	£
Farmers loans	-	1,095
Prepayments	5,177	5,444
Other debtors	15,627	4,287
Working capital loans	11,958	-
	<u>32,762</u>	<u>10,826</u>

12. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Provisions	621	1,610
Accruals	1,080	-
	<u>1,701</u>	<u>1,610</u>

JUST EARTH LIMITED

NOTES TO THE ACCOUNTS (Continued) **FOR THE YEAR ENDED 31ST DECEMBER 2022**

13. Unrestricted Funds

	General Fund	Total
	£	£
Balance at 1 January 2022	282,419	282,419
Net income for the year	26,226	26,226
Foreign exchange losses	(2,196)	(2,196)
Transfers	-	-
Balance at 31 December 2022	<u>306,449</u>	<u>306,449</u>

14. Restricted Funds

	Houston Baptist Project	ACK Donation 2021	Total 2022
	£	£	£
Balance at 1 January 2022	2,144	778	2,922
Net income for the year	5,463	-	5,463
Translation movements	730	20	750
Balance at 31 December 2022	<u>8,337</u>	<u>798</u>	<u>9,135</u>

15. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total Funds 2022	Total Funds 2021
	£	£	£	£
Tangible assets	103,410	-	103,410	33,703
Cash at bank and in hand	171,740	9,135	180,874	242,187
Other net assets/(liabilities)	31,299	-	31,299	9,451
	<u>306,449</u>	<u>9,135</u>	<u>315,583</u>	<u>285,341</u>

16. Taxation

As a charity, Just Earth Limited is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

JUST EARTH LIMITED

NOTES TO THE ACCOUNTS (Continued) FOR THE YEAR ENDED 31ST DECEMBER 2022

17. Related parties

The charity is related to the Maseno Trust in that Rev. Bruce Collins, Alex Lloyd Davies, David Cross and Gerwyn Miles are directors and trustees of both charities. Just Earth Limited is a corporate entity, formed to do the work of the Maseno Trust, which is now dormant. There were no related party transactions between the two charities during the year (2021: £nil).

The charity is also related to Just Earth USA, Inc., in that Rev. Bruce Collins, Peter Tyler and Gerwyn Miles are directors of both the charity and the corporation. Just Earth USA, Inc, is a not-for-profit corporation formed to assist with raising funding for the charity's activities, by providing a tax efficient means for US donors to support the work of the charity. The Charity received funding of £nil from Just Earth USA, Inc, during the year (2021: £21,637).

The total amount of donations received during the year from related parties was £16,187 (2021: £4,125).

18. Controlling parties

In the opinion of the trustees there is no single ultimate controlling party of the charity.

19. Company limited by guarantee

Just Earth Limited is a company limited by guarantee and accordingly does not have a share capital. Every member of the company undertakes to contribute such amount as may be required not exceeding £10 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

JUST EARTH LIMITED

**NOTES TO THE ACCOUNTS (Continued)
FOR THE YEAR ENDED 31ST DECEMBER 2022**

20. Statement of Financial Activities (including income and expenditure account) for the year ended 31 December 2021

	Unrestricted Funds	Restricted Funds	Total Funds 2021
	£	£	£
Income from:			
Donations and legacies	187,567	54,151	241,718
Charitable activities:	11,012	-	11,012
Activities for raising funds			
Trading activities	10,593	-	10,593
Investments			
Bank interest received	18	-	18
Total Income	<u>209,190</u>	<u>54,151</u>	<u>263,341</u>
Expenditure on:			
Raising Funds			
Operating costs of trading activities	30,150	-	30,150
Fundraising costs	35	-	35
Charitable activities	131,861	50,498	182,359
Total Expenditure	<u>162,046</u>	<u>50,498</u>	<u>212,544</u>
Net income	47,144	3,653	50,797
Other recognised (losses) gains			
Foreign exchange (losses)/ gains	<u>(1,064)</u>	<u>(731)</u>	<u>(1,795)</u>
Net Movement in Funds before transfers	46,080	2,922	49,002
Transfers between funds	<u>-</u>	<u>-</u>	<u>-</u>
Net Movement in Funds after transfers	46,080	2,922	49,002
Total funds brought forward	236,339	-	236,339
Total funds carried forward	<u>282,419</u>	<u>2,922</u>	<u>285,341</u>